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CONSUMER TRENDS AND MARKETS ABROAD
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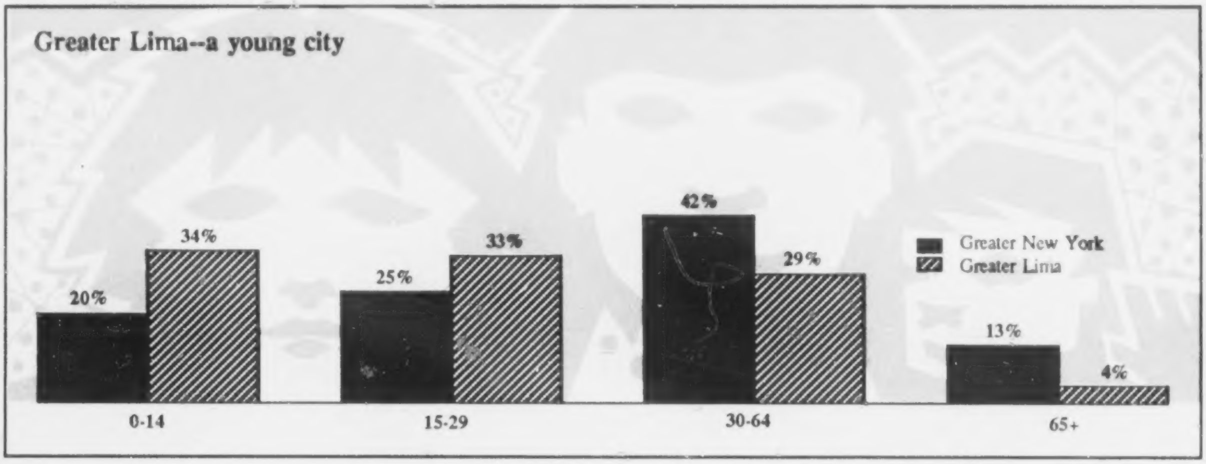
International Demographics



Greater Lima--a young city

Illustration by Diana Souza

AREA PROFILE

Metropolitan Lima

Accounting for nearly 30 percent of Peru's entire population and about 42 percent of its urban population in 1981, Lima typifies the uniqueness of Latin America's urban system. Compared to most other developing regions in the world, Latin America is city- rather than village-oriented.

By far the most urbanized of the world's developing regions, Latin America is characterized by large-city growth. Historically, city-dwelling Latin Americans tended to concentrate in single, large cities, often a country's capital or main seaport. Lima is typical of such growth. Lima's 1940 population represented about 10 percent of the total Peruvian population. By 1961, this proportion had risen to 18 percent; by 1972, to about 24 percent.

Although this trend continues, Lima's urban primacy is waning, due to the growth of some regional centers like Trujillo and Chimbote. The ratio of population in Lima to that of Peru's three next ranking cities climbed from a pre-1940 level of 4.2 to 5.0 in 1960, but returned to 4.2 in 1980 (see the table on page 12 for comparisons with other Latin American countries and the U.S.).

Nevertheless, Lima is still almost 10 times as large as the country's next ranking cities, Trujillo on the northern coast and Arequipa in the south. Lima is Latin America's sixth largest metropolitan area, with 4.84 million people in Peru's 1981 census year. Lima's predominance is not limited to population alone. It is Peru's most economically important area, accounting for 43 percent of Peru's GDP, 70 percent of its industrial income, 66 percent of the industrial labor force, and 95 percent of all financial transactions. Of the 25 banks operating in Peru, 19 have their headquarters in Lima.

The Lima-Callao area also accounts for about half of Peru's electrical power consumption, with

continued

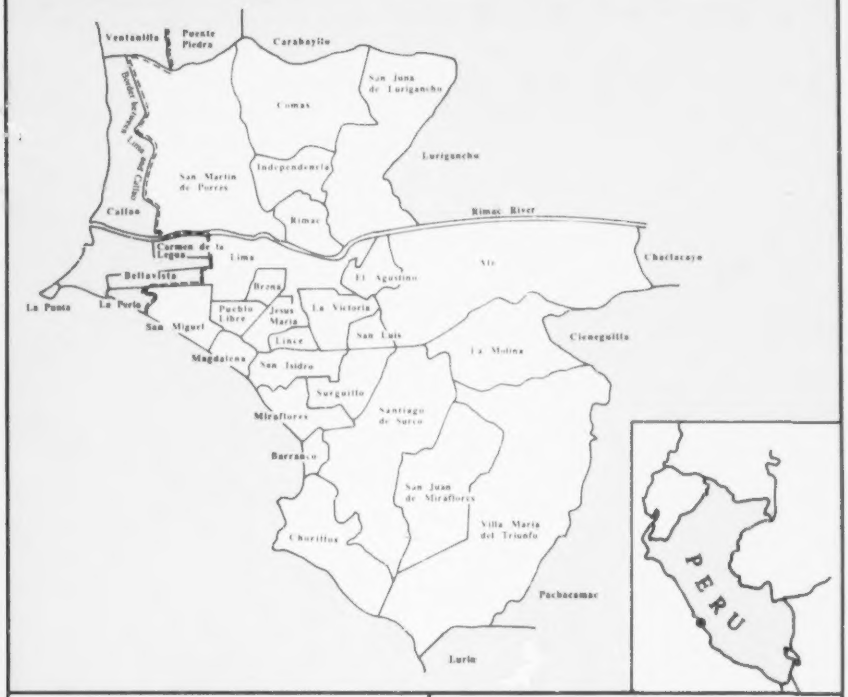
INSIDE

Upscale Canadians, Census in Iran, European Women get better jobs, Latin American city growth, young and old in Japan........................9&12
1986 Index..................................10-11

THIS MONTH: LIMA

MICRO VIEW

The Central Districts of Metropolitan Lima


Ventanilla
Puente Piedra
Carabayllo
San Juna de Lurigancho
Comas
Border between Lima and Callao
Lurigancho
Independencia
San Martin de Porres
Callao
Rimac
Rimac River
Carmen de la Legua
Lima
Chaclacayo
Ate
Bellavista
El Agustino
Brena
La Punta
La Perla
Pueblo Libre
Jesus Maria
La Victoria
San Miguel
Lince
San Luis
Cieneguilla
Magdalena
San Isidro
La Molina
Surguillo
Miraflores
Santiago de Surco
Barranco
San Juan de Miraflores
Villa Maria del Triunfo
Chorillos
Pachacamac
Lurin
PERU

its industry consuming about 20 percent of all power generated in Peru. Major industries include the manufacturing of textiles and clothing, food and beverages, soap, aluminum and silver goods, cement, motor vehicles, and petro-chemicals.

ADMINISTRATIVE DIVISIONS

Peru's main administrative divisions are the 24 departments, of which the Department of Lima (13,064 square miles) is one. These departments are further divided into 156 provinces. Greater Lima consists of two such provinces, the province of Lima (1,430 square miles) and the constitutional province of Callao (57 square miles).

The former, which belongs to the department of Lima, is made up of 39 districts, of which the district of Lima is the most important. Two more districts were created in 1983: Villa El Salvador, formerly part of San Juan de Miraflores, and San Borja, on the border of San Luis and Santiago de Surco. However, the information in this profile is based primarily on 1981 census data, so these two new districts are not covered.

Each district is headed by an *alcalde*, or mayor. However, since most government funding passes through the mayor of the district of Lima, the remaining districts have only limited autonomy. The present mayor of Lima is Alfonso Barrantes Lingan, of the leftist Izquierda Unida (IU), who was elected in November of 1983.

The department of Lima has 7 additional provinces: Cajatambo (1981 population, 28,555), Canta (12,305), Canete (118,126), Chancay (232,859), Huarochiri (59,792), Yauyos (32,300), and Huaral (97,343). The ninth province--the province of Barranca--was created in 1985. The constitutional province of Callao, which has a special legal status and does not belong to any department, is made up of 6 districts: Callao (1981 population, 264,133), Bellavista (67,521), La Punta (6,264), La Perla (47,225), Carmen de La Legua (38,568), and Ventanilla (19,702). Due to its small territorial size, data on Callao are not often broken down to the district level.

For the purpose of this article, Greater Lima consists of 39 districts, plus the province of Callao. The terms "Greater Lima" and "Metropolitan Area of Lima" are used interchangeably, although this is somewhat contrary to local usage. In Peru, Metropolitan Lima sometimes only refers to the most densely populated and industrialized areas between the district of Lima and the province of Callao, excluding outlying districts such as Ancon and Lurin. The official term "Metropolitan Area of the Capital of the Republic" is then reserved for Greater Lima, in which sense it is used in this article.

The urbanized area of Greater Lima covers the coastal strip from the southern half of Callao down to Chorillos, stretching inland towards parts of Villa Maria del Triunfo, La Molina, Ate, San Juan de Lurigancho, and Comas. The Rimac Valley, toward the east, and some stretches along the Panamerican Highway, toward the north, are also highly urbanized.

On the other hand, the districts of Ancon, Puente Piedra, Santa Rosa, Carabayllo, Cieneguilla, and the area south of Pachacamac have little more than isolated patches of urbanization. Together, the 12 districts that make up this area account for less than 3 percent of the metropolitan population. The former fishing

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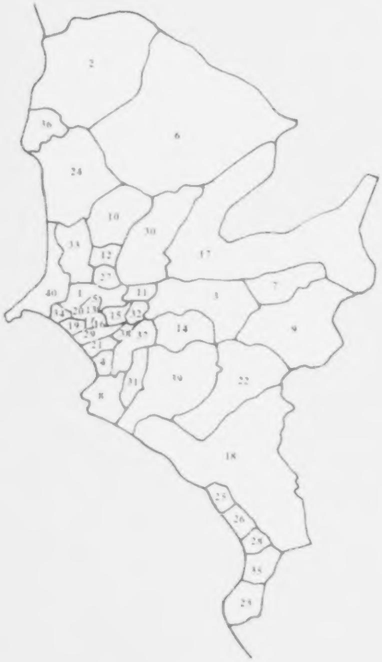
village of Ancon, 20 miles north of the center of Lima, is now a fashionable beach resort. Santa Rosa, Punta Hermosa, Punta Negra, San Bartolo, Santa Maria del Mar, and Pucusana are also holiday resorts, although less exclusive. Puente Piedra produces much of the food consumed in urban Lima. Santiago de Surco is a wine-producing area.

Lima's rich live in the coastal suburbs of Miraflores and San Isidro, and the San Borja and LaMolina districts, which lie further inland. Upper-middle-class neighborhoods along the coast include Barranco, Magdalena del Mar, San Miguel, and the La Peria District of Callao. Further inland are the middle-class suburbs of Brena, Jesus Maria, Lince, Magdalena Vieja (also called Pueblo Libre), and the Bellavista District of Callao. Brena, Miraflores, and Lince are also important commercial centers. Unlike most districts, Jesus Maria, Lince, Magdalena del Mar, Pueblo Libre, and Miraflores do not have any slum areas. Despite their upper-income status, San Isidro and Brena have some. Even in La Molina, one finds some rather depressed areas next to stately mansions. Most restaurants, theaters, and cinemas are concentrated in downtown Lima and in Lince, Miraflores, and San Isidro. San Borja, with its many restaurants, discotheques, and bingo halls, is another entertainment district.

The fishing port of Chorillos is a mixed area, with both lower- and middle-class homes. Its beach is one of the favorite weekend destinations for Lima's poor. The middle class prefers the beaches of Barranco and San Miguel, whereas the rich go to the exclusive clubs of Ancon and Miraflores. La Victoria, Surquillo, Santiago de Surco, San Luis, Rimac, and San Martin de Porres are know as *barrios populares*, lower-middle-class neighborhoods with many tenement buildings housing recent migrants. La Victoria is famous for its wholesale market which supplies much of the metropolitan area. Due to the large number of hold-ups around the market, it is one of Lima's more dangerous areas. Other important markets are the Mercado Central and the Polvos Azules in downtown Lima. The latter started out as a sales outlet for contraband articles, mostly from Korea and Taiwan, but in recent years has diversified.

MACRO VIEW

The provinces of Lima and Callao



1. **Lima**
2. **Ancon**
3. **Ate**
4. **Barranco**
5. **Brena**
6. **Carabayllo**
7. **Chaclacayo**
8. **Chorrillos**
9. **Cieneguilla**
10. **Comas**
11. **El Agustino**
12. **Independencia**
13. **Jesus Maria**
14. **La Molina**
15. **La Victoria**
16. **Lince**
17. **Lurigancho**
18. **Lurin**
19. **Magdalena del Mar**
20. **Magdalena Vieja (Pueblo Libre)**
21. **Miraflores**
22. **Pachacamac**
23. **Pucusana**
24. **Puente Piedra**
25. **Punta Hermosa**
26. **Punta Negra**
27. **Rimac**
28. **San Bartolo**
29. **San Isidro**
30. **San Juan de Lurigancho**
31. **San Juan de Miraflores**
32. **San Luis**
33. **San Martin de Porres**
34. **San Miguel**
35. **Santa Maria del Mar**
36. **Santa Rosa**
37. **Santiago de Surco**
38. **Surquillo**
39. **Villa Maria del Triunfo**
40. **Callao**

Callao is a typical working-class city. It handles 75 percent of Peru's imports and 25 percent of its exports. Apart from docking, one of its major economic activities is the fabrication of fish meal, an industry that has passed through difficult times after a change of the coastal currents in 1972 that swept away the anchovies. Callao's rich live in the district of La Punta.

The poorest areas of the metropolitan area are the dormitory towns, which are practically devoid of any local economic activities: Carabayllo, Comas, El Agustino, Carmen de la Legua (Callao), San Juan de Lurigancho, San Juan de Miraflores, Independencia, and Villa Maria del Triunfo. San Juan de Miraflores, Villas Maria del Triunfo, and Villa El Salvador together are sometimes called the Cono Sur--an area with over a quarter million inhabitants, largely without paved roads or other infrastructure, with many migrants from Peru's poorest rural areas.

POPULATION GROWTH

For most of its 450 years, Lima grew slowly. The 1920 census counted only 276,065 inhabitants. However, when the world market for agricultural exports collapsed in the 1930s, economic hardship in rural Peru sent many migrants to Lima. By 1940, Lima's population had more than doubled to about 650,000 people. Urbanization first spread within the triangular area between the districts of Lima, Chorillos, and the port of Callao. During the early

1950s, the area north of the river Rimac was settled. From then on, urbanization spread first north, then east, and most recently south. The total urbanized area amounted to 21.3 square miles in 1951, 32.7 square miles in 1959, and reached 55.7 square miles in 1967. The total population grew from 662,000 in 1940, to 1.9 million in 1961, 3.4 million in 1972, and 4.8 million in 1981.

Although the population of Lima is still growing, its rate of growth slowed from about 5.5 percent during the 1960s to about 3.9 percent in the 1970s. Current projections estimate a metropolitan population of 6.7 million by 1990. The most rapidly growing areas of Greater Lima are located on the northern, central, and southern borders of the urban nucleus—Ate, Comas, San Juan de Lurigancho, San Martin de Porres, Santiago de Surco, and Villa Maria del Triunfo.

Until 1970, over 50 percent of Lima's net increase was due to in-migration, but at present this proportion is closer to 30 percent. In 1940, 29 percent of the population consisted of non-natives, a percentage that increased to 45 percent by 1961 and 46 percent by 1972. The 1981 census, however, pegged the non-native portion of the population at 41 percent, indicating a slowdown of the migration stream.

Nevertheless, as many as 406,000 people residing in Metropolitan Lima in 1981 had moved there from other parts of Peru within the last five years, whereas 217,000 had left Lima to live elsewhere: a net migration of 189,000 in five years. Most migrants come from the departments of Ancash and La Libertad, immediately north of Lima; Ica, further south along the coast; and from the mountain departments of Junin and Ayacucho, to the east and southeast of Lima.

Peru's birthrate was about 37 per 1,000 in 1981, with a completed family size of 5.2 children. Fertility in Metropolitan Lima, however, is considerably lower, with an estimated birthrate of 27 per 1,000 and a completed family size of 2.8 children

Greater Lima scorecard--how geographic divisions stack up

Geographic division	*Population (1981)* *Males*	*Females*	*Degree of urbanization (in percent)*	*Annual growth rate (in percent)*	*Illiteracy (in percent)*	*Percent over age 60*
Lima	184,042	187,080	100.0	0.5	2.9	7.2
Ancon	4,716	3,709	100.0	4.6	4.4	5.0
Ate	72,773	72,731	99.8	10.1	5.4	4.1
Barranco	22,065	24,413	100.0	-0.6	1.6	8.9
Brena	54,001	58,397	100.0	0.0	1.7	8.5
Carabayllo	26,722	26,078	92.5	7.3	7.4	3.2
Chaclacayo	15,669	15,923	100.0	4.4	6.5	5.5
Chorillos	71,762	70,119	100.0	5.0	4.8	4.0
Cieneguilla	2,373	2,173	88.7	6.7	13.0	4.8
Comas	142,642	140,437	99.7	5.6	5.3	3.2
El Agustino	85,995	81,776	99.3	4.0	7.6	3.6
Independencia	69,716	68,006	100.0	2.5	5.8	3.1
Jesus Maria	37,179	46,000	100.0	-0.1	1.0	10.2
La Molina	7,120	7,539	100.0	10.4	6.3	3.8
La Victoria	135,285	135,493	100.0	0.2	2.9	5.9
Lince	36,876	43,580	100.0	-0.3	1.2	9.8
Lurigancho	32,828	32,311	84.0	2.7	7.2	5.3
Lurin	8,970	8,361	79.8	3.4	7.4	4.8
Magdalena del Mar	25,053	30,482	100.0	-0.2	1.8	10.6
Magdalena Vieja	37,772	46,213	100.0	0.8	1.3	9.4
Miraflores	44,868	58,585	100.0	0.4	1.1	11.9
Pachacamac	3,510	3,270	42.0	4.5	7.7	6.1
Pucusana	2,206	1,898	95.2	4.1	2.7	4.2
Puente Piedra	17,514	16,408	88.8	6.7	8.6	3.8
Punta Hermosa	545	465	100.0	1.2	5.8	5.2
Punta Negra	285	268	100.0	-3.2	2.2	8.7
Rimac	92,292	92,192	100.0	0.7	2.8	6.3
San Bartolo	1,488	1,425	93.4	7.9	7.1	4.2
San Isidro	30,502	40,701	100.0	1.3	1.1	10.7
San Juan de Lurigancho	133,613	125,777	100.0	12.9	5.1	2.8
San Juan de Miraflores	83,076	82,689	99.7	5.0	4.9	3.6
San Luis	28,689	28,580	100.0	10.0	3.0	3.7
San Martin de Porres	202,374	202,482	99.5	6.4	3.1	4.5
San Miguel	46,925	52,296	100.0	5.1	1.8	6.5
Santa Maria del Mar	64	32	100.0	8.9	6.5	8.3
Santa Rosa	262	230	47.4	9.4	7.3	3.3
Santiago de Surco	69,406	77,230	99.8	8.1	2.4	5.5
Surquillo	64,271	69,887	100.0	4.5	2.2	5.6
Villa Maria del Triunfo	158,185	155,727	100.0	6.2	5.9	2.6
Callao	225,734	217,679	99.3	3.6	2.9	5.4
Total Lima-Callao	2,279,368	2,328,642	99.2	3.7	3.7	5.4

Source: Instituto Nacional de Estadistica y Censos, VIIIo Censo Nacional de Poblacion, 1981 in 1985. The World Fertility Survey of 1977 indicated that 75 percent of women in Greater Lima had used or were currently using some form of contraception. The national crude death rate stood at about 10 per 1,000 in 1981, in contrast to only 6.4 per 1,000 in Greater Lima in 1981. This figure dropped to 5.6 in Lima by 1985, due to a more favorable age distribution and a life expectancy of 75 years. Infant mortality in the metropolitan area was estimated at 55 per 1,000 live births in 1981 and 49 per 1,000 in 1985, compared to a national average of 86 per 1,000 in 1981.

AGE DISTRIBUTION

On the whole, Lima's age structure is somewhat older than that of the rest of Peru. The median age of the population is 22.3 years, compared to a national figure of 20.4. Nevertheless, the proportion of persons over age 65 is only 3.6 percent, lower than the national average of 4.1 percent, due to the tendency of in-migration to concentrate people of intermediate ages in the cities.

Because of declining fertility, the proportion of people under 15, which was about 38 percent in 1972, fell to about 33 percent by 1981. However, age structure in the districts varies widely. While typical middle-class neighborhoods such as Magdalena Vieja (19.6 percent), Brena (22.4 percent), San Isidro (23 percent), and Miraflores (23.5 percent) have less than a quarter of their population in the under-15 age group, this proportion exceeds 40 percent in poorer neighborhoods with large immigrant populations such as Chaclacayo and San Juan de Lurigancho (40.3 percent), Comas (41.1 percent), Puente Piedra (42.5 percent), Carabayllo (43.6 percent), Villa Maria del Triunfo (45.7

Living in Lima--The state of housing in geographic divisions of Greater Lima, 1981

Geographic division	*Number of private households*	*Mean household size*	*Slum tenements as percent*	*Improvised Housing of all homes*	*Electricity*	*Running water*	*General Sewage*
Lima	79,314	4.52	13.6%	0.4%	96.4%	90.6%	89.1%
Ancon	1,453	4.95	0.3	2.1	74.1	86.5	72.0
Ate	28,166	5.12	3.4	2.4	78.4	69.1	63.5
Barranco	10,124	4.52	23.3	0.1	97.7	96.6	96.2
Brena	24,414	4.48	20.6	0.2	98.4	96.7	95.8
Carabayllo	10,264	5.13	0.1	2.4	76.9	20.1	19.7
Chaclacayo	6,059	5.13	3.8	2.0	86.4	39.8	37.3
Chorillos	26,976	5.13	4.2	5.1	77.3	54.8	44.8
Cieneguilla	1,042	4.31	0.7	3.4	30.3	45.0	25.9
Comas	52,810	5.33	0.7	0.9	84.0	56.2	53.6
El Agustino	31,605	5.26	2.1	1.0	76.6	46.8	40.6
Independencia	24,857	5.52	1.3	1.9	77.2	64.6	63.7
Jesus Maria	17,884	4.42	17.2	0.0	99.1	98.1	98.0
La Molina	2,799	5.19	0.7	10.0	78.5	82.0	62.9
La Victoria	56,294	4.75	12.7	0.2	96.5	92.4	91.8
Lince	18,367	4.34	14.0	0.0	98.8	97.0	96.3
Lurigancho	12,690	4.98	4.4	1.6	71.8	55.3	42.4
Lurin	3,382	5.08	1.0	4.0	28.3	21.0	18.8
Magdalena del Mar	11,601	4.59	20.7	0.1	98.8	97.0	96.6
Magdalena Vieja	17,160	4.86	9.4	0.1	97.8	97.0	96.1
Miraflores	24,228	4.17	11.8	0.1	98.9	98.0	97.8
Pachacamac	1,350	4.96	1.0	2.7	38.8	32.7	28.6
Pucusana	658	5.01	3.9	6.0	72.7	71.5	65.0
Puente Piedra	6,524	5.05	0.9	5.1	57.2	35.5	23.3
Punta Hermosa	183	5.52	–	2.4	81.8	14.7	14.7
Punta Negra	129	4.24	0.9	–	90.5	1.7	0.9
Rimac	37,951	4.76	13.2	1.6	94.1	86.1	85.0
San Bartolo	547	5.25	–	1.8	74.4	22.3	21.3
San Isidro	15,846	4.39	2.8	0.3	98.8	98.3	98.1
San Juan de Lurigancho	48,519	5.20	1.6	2.7	67.1	49.5	41.6
San Juan de Miraflores	30,252	5.45	0.6	3.0	88.4	83.8	79.6
San Luis	10,687	5.30	4.5	2.7	92.8	92.7	91.9
San Martin de Porres	77,559	5.18	3.2	1.7	92.5	88.7	86.6
San Miguel	19,043	5.14	9.3	0.4	96.0	94.3	93.2
Santa Maria del Mar	23	3.83	–	9.1	81.8	86.4	77.3
Santa Rosa	87	3.93	–	11.6	68.6	23.3	23.3
Santiago de Surco	27,790	5.19	4.3	2.1	91.3	87.7	84.4
Surquillo	27,538	4.79	11.0	0.8	94.9	93.5	92.7
Villa Maria del Triunfo	58,964	5.31	0.4	1.1	84.5	79.4	60.7
Callao	85,766	4.99	8.3	3.9	88.7	80.3	76.3
Total	910,905	4.97	7.3	1.6	88.4	79.2	75.2

Source: Oficina Nacional de Estadistica Censos, VIIIo Censo Nacional de Poblacion, 1981 percent), and El Agustino (53 percent). Lima's senior citizens are more numerous in the middle-class districts, especially in Miraflores, San Isidro, Magdalena del Mar, Jesus Maria, Lince, Pueblo Libre, Barranco, and Brena.

ETHNICITY AND RELIGION

Internal migration enhances the linguistic and ethnic heterogeneity of Greater Lima. Almost 400,000 inhabitants of Greater Lima are bilingual in Spanish and an indigenous language. Migrants from the other departments of Peru maintain their own cultural identity through various provincial associations.

COMPARATIVELY SPEAKING

Illustration by Diana Souza

While typical middle-class neighborhoods in Greater Lima have less than a quarter of their populations under age 15, this proportion exceeds 40 percent in poor neighborhoods.

COMPARATIVELY SPEAKING

In 1981, about 45,000 foreigners lived in Greater Lima. Foreign-born inhabitants come mostly from the U.S., Chile, Japan, Argentina, Spain, and Italy. Most foreigners live in Miraflores and San Isidro. Downtown Lima has a small Chinatown, near the Mercado Central.

As elsewhere in Peru, by far the one dominant religion is Roman Catholicism. Ninety-one percent of Lima's inhabitants declared themselves Catholic in the 1981 census. Another 3.5 percent practiced other Christian religions. Due to the presence of about 4,000 Japanese immigrants and their descendants in the metropolitan area, some of the remainder are followers of one of the eastern religions.

HOUSING AND HOUSEHOLDS

Lima, much like Los Angeles and Santiago, is a spread-out city with few high-rise buildings, due to the danger of earthquakes. Only 12 percent of Lima's households are found in apartment buildings.

As in other cities of Latin America, the formal housing market is beyond the reach of a major segment of the population. Consequently, much of the urban settlement has occurred through informal self-help construction. In Peru, spontaneous settlements of this kind--called *pueblos jovenes*--began to appear during the late 1940s. Most are located on government-owned land. Thirty percent of the metropolitan population in 1981 was living in *pueblos jovenes*, up from 9 percent in 1956 and 25 percent in 1972.

Pueblos jovenes are especially numerous in the districts of Chorillos, Chaclacayo, Lurigancho, Comas, Independencia, Carabayllo, Puente Piedra, Santa Rosa, Villa Maria del Triunfo, and even on the beach front of Ancon. Different from the situation in most Latin American metropoli, Lima's *pueblos jovenes* have received some government recognition. The military government that ruled Peru between 1968 and 1980 created an official agency--the National Office for the Development of the Pueblos Jovenes--to deal with their problems.

On the whole, the *pueblos jovenes* are better off than the high-density inner-city slums, or *turgurios* --old, dilapidated alleyside tenements, subdivided to provide room for several families. About 10 percent of Lima's dwellings belong in this category. *Tugurios* are common in the *barrios populares* like La Victoria, Surquillo, downtown Lima, San Miguel, Rimac, and parts of middle-class neighborhoods such as Barranco, Brena, and Magdalena del Mar. This is the most common form of housing for recent migrants who have not managed to assure any economic stability. Afterwards, people tend to migrate to the *pueblos jovenes.*

Land speculation and the provision of urban infrastructure to the constantly expanding *pueblos jovenes* are a city planner's nightmare. Few families squatting on public land can afford to purchase their land. Although the government has made inroads in providing running water and sewage facilities for squatter communities, the infrastructure remains inadequate. As usual, more success has been achieved in providing electricity. Due to the proximity of the mountains, virtually all power needs are covered from hydro-electric sources.

Given Lima's desert climate, the water supply presents a more difficult problem. While running water reached about 80 percent of all homes and general sewage about 75 percent in 1981, as many as 88 percent of all homes had electrical power. Almost all homes in districts like Jesus Maria (99.1 percent), Miraflores (98.9 percent), and San Isidro, Lince, and Magdalena del Mar (98.8 percent) have electricity. Only in the remotest districts such as Lurin, Cieneguilla, Pachacamac, Puente Piedra, San Juan de Lurigancho, and Santa Rosa do less than 70 percent of homes have access to electrical power.

Basic sanitation and running water, on the other hand, are absent in three-quarters of the homes in Carabayllo, Lurin, Punta Hermosa, Punta Negra, San Bartolo, and Santa

Population of the Metropolitan Area of Lima by age and sex, 1981

Age	*Total*	*Male*	*Female*
All ages	4,608,010	2,279,368	2,328,642
0-4	436,470	221,908	214,562
5-9	553,576	279,732	273,844
10-14	523,868	261,076	262,792
15-19	540,698	260,862	279,836
20-24	532,624	261,179	271,445
25-29	428,505	208,405	220,100
30-34	335,003	166,597	168,406
35-39	258,866	127,790	131,076
40-44	209,486	105,851	103,635
45-49	172,578	85,478	87,100
50-54	150,871	75,746	75,125
55-59	109,194	55,122	54,072
60-64	81,373	39,629	41,744
65-69	60,065	27,966	32,099
70+	106,781	47,644	59,137

Source: Oficina Nacional de Estadistica y Censos, VIIIo Censo Nacional de Poblacion, 1984

Rosa. In some districts, such as Chaclacayo, water is only available at certain times of the day. Water quality varies but very few homes use water filters, even in the richest neighborhoods.

The average household consists of about 5 members, with about 8 percent of the households consisting of only one and 37 percent of more than five members. Not counting the very smallest districts, average household sizes are smallest in Miraflores (4.1), Cieneguilla (4.3), Lince (4.3), San Isidro (4.4), Jesus Maria (4.4), and Brena (4.5), and largest in Independencia (5.5) and San Juan de Miraflores (5.5). Slightly more than half (55.7 percent) of all multi-person families are nuclear and about 27 percent extended. Nuclear families average 4.6 members and extended families 5.7 members.

EDUCATION AND HEALTH CARE

Only 2.7 percent of the metropolitan population over age 15 is illiterate, down from 5.4 percent in 1972 and 7.7 percent 1961. Illiteracy, however, is higher in areas like Cieneguilla (13 percent), Puente Piedra (8.6 percent), Pachacama (7.7 percent) and El Agustino (7.6 percent). Nowhere in the metropolitan area does it reach the national average of 18 percent, however.

Educational levels in Greater Lima are also relatively high. In 1981, primary enrollments totaled 510,000 children and secondary enrollment 535,000. As much as 66 percent of the population over age 15 has had some secondary education, compared to the national figure of 43 percent. The percentage is not much lower among recent migrants (about 63 percent) than among the metropolitan population as a whole.

Apart from San Marcos University, which now has 15,000 students, the metropolitan area houses 5 state and 8 private universities. As elsewhere in Latin America, college enrollments have risen sharply in the past decades. In 1960, Peru had 30,000 university students, 20,000 of whom studied in Greater Lima. In 1981, the national figure was 305,000, of whom almost 170,000 studied in Greater Lima. In addition, the metropolitan area had over 140,000 students attending non-university institutions of higher education.

About 18 percent of the metropolitan population over age 15 in the Lima-Callao area--530,000 people--have had some higher education. Of the foreign-born population over age 15, 59 percent have had some college education. Male and female enrollment is about equal at all levels, with the exception of university enrollment of which males make up 64 percent.

In 1981, Lima had 93 hospitals with a total of 12,640 beds. In addition, there were 102 health centers and 10 sanitary posts. Adequate hospital services are available in Lima, Ancon, Jesus Maria, Lince, Magdalena del Mar, Magdalena Vieja, Miraflores, San Isidro, and Callao. Smaller hospitals also exist in Barranco, Brena, Chorrillos, Puente Piedra, Rimac, San Luis, San Martin de Porres, San Miguel, and Santa Maria del Mar. Some other districts have no local health services whatsoever, including the prosperous La Molina district. There were nearly 15,000 physicians in the metropolitan area in 1981--3 for every 1,000 inhabitants. The most common diseases are respiratory infections (34 percent) and gastroenteritis or other diarrheal infections (26 percent).

ECONOMIC ACTIVITY, INCOME, AND CONSUMPTION

Lima's economically active population numbered 1.53 million in 1981, 71 percent of whom were men. Services (32.3 percent), commerce (20.2 percent), and manufacturing (19.8 percent) absorb most of the working population. Industry, however, leads in terms of the value of production (29 percent), followed by commerce (24 percent), and finance (18 percent). The official unemployment rate was 6.7 percent, a figure certainly underestimated because of widespread underemployment. The 1981 census lists the even lower figure of 6.7 percent, with variations from 0.5 percent in Lurin, 0.6 percent in Pucusana, and 0.8 percent in Brena to 12.6 percent in San Juan de Lurigancho and 9.4 percent in Magdalena del Mar. A substantial part of the labor force is made up of the so-called informal sector: small-scale backyard industries, street vendors, and miscellaneous services. The present city government is making an effort to incorporate this sector into the formal economy by granting licenses and financial incentives.

Where they work

Type of activity	*Males*	*Females*	*Total*
Agriculture, forestry, and fishing	29,604	3,561	33,165
Mining	8,913	2,204	11,117
Manufacturing industries	230,745	54,683	285,428
Utilities	8,338	1,087	9,425
Building and construction	81,831	2,341	84,172
Commerce	198,760	92,191	290,951
Transport and communication	90,562	9,252	99,814
Finance	62,907	22,286	85,193
Services	258,786	205,594	464,380
Other or unspecified activities	49,814	25,646	75,460
Total	1,020,260	418,845	1,439,105

Source: Oficina Nacional de Estadistica y Censos, VIIIo Censo Nacional de Poblacion

One of the factors that contributed to the influx of migrants into the metropolitan area in the past was its higher overall income level. In 1969, 83 percent of Lima's labor force earned more than Peru's median income. Mean monetary incomes were 2.43 times as high as the national average. Income differences within the metropolitan area were also smaller. The income ratio of the richest and the poorest 10 percent was 49 for Peru as a whole, but only 22 in the Lima area.

The 1981 census shows, however, that Lima's advantage has diminished considerably. Average incomes in the metropolitan area are now only about 40 percent higher than the national average. Although the inflation rate of over 50 percent makes exact comparisons very difficult, incomes are low by American standards. Since last year, Peru's national currency is the *inti*. At the time of the 1981 census, however, it was the *sol de oro*, with an approximate exchange rate of 400 soles per dollar. The official minimum wage in the Lima-Callao area is about $70 per month. Industrial wages in 1978 were about $2.75 per day in manufacturing and $2.60 per day in building and construction. Median family incomes in peripheral districts such as El Agustino are roughly $50 per month.

On the average, each household has 1.8 income earners, and only 17 percent have more than 2. A 1978 survey indicated that the families of Lima spend an average of 45.2 percent of their incomes on food (36.3 percent at home and 8.9 percent eating out), 15.6 percent on housing and utilities, 9.8 percent on transport and communication, 7.4 percent on education, sports, and cultural activities, 7.3 percent on clothing, and 7.0 percent on furniture and housing maintenance. Expenditures on housing and related items are higher among middle- and upper-class families. Poor families, in the *pueblo jovenes* and elsewhere, spend about 50 percent of their household budgets on food.

TRANSPORT AND COMMUNICATION

Traffic congestion is an ongoing problem in this city that for the last three decades has expanded mostly horizontally. Private-car ownership is still relatively small, but definitely increasing. The most common type of ground transportation is Lima's nearly 7,000 micro-buses, which have 20 seats each and cover 118 routes. Next come the 1,200 standard-sized buses, which cover 60 routes. The taxi fleet numbers 8,000 vehicles, but only 800 are officially licensed. Another 600 are registered as *colectivos*, taxis with fixed routes that can pick up customers at several points.

The construction of a rapid transit system has been under consideration for several years. The plans foresee a 54-mile-long north-south connection, from San Martin de Porres, via downtown Lima to La Victoria, San Isidro, and Villa Maria del Triunfo. In a later stage, an east-west connection should be added, from Cieneguilla to Ate, and on to downtown Lima and Callao. The Jorge Chavez International Airport, in the Province of Callao, is served by 25 airline companies. In 1981, it was used by 1.30 million national and 1.10 million international travelers, and handled 42.27 million metric tons of cargo.

In 1981, Lima had nine five-star hotels with 4,000 beds, 181 three- and four-star hotels with 13,000 beds, and 1,212 simpler hotels with accommodations for 47,500 guests. Currently, there are three TV stations (one public and two private) in the metropolitan area, which broadcast a variety of shows and Brazilian and Venezuelan soap operas. Although television sets are not cheap in Peru, they are remarkably common in poor neighborhoods like the *pueblos jovenes*. Roughly 80 percent of homes have a radio and 65 percent a TV.

SOURCES OF INFORMATION

The publication of the Peruvian census of 1981 is complete. It can be obtained through the Instituto Nacional de Estadistica, Avenida 28 de Julio 1056, in Lima, or through the international division of the U.S. Census Bureau. An informative analysis of 1981 census results, *Lima: poblacion, trabajo y politica*, was published in 1985 by the Catholic University of Peru, under the authorship of Narde Henriquez et al. Useful information can also be found in a series of regional population studies published by the Asociacion Multidisciplinaria de Investigacion y Docencia en Poblacion (AMIDEP), Avenida Salaverry 674, Of. 201, Jesus Maria, Lima. For general demographic information on Peru, refer to Daphne Spain's profile in vol. 2, no. 6 of *International Demographics*. •

--Ralph Hakkert

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REGIONS

NORTH AMERICA

High-income Canadian families

The highest earning 1 percent of all families in Canada (63,200 of them) received an average of $143,061 in 1980--five times the national average of $26,748.

Where did all this wealth come from? Nearly 50 percent came from self-employment and investment (as compared to only 11 percent of all families) with 80 percent of high-income families reporting investment income. Most husbands or lone parents were in management, health, legal and sales occupations. A higher percent of high-income families were dual-earner families (58 percent) than for all husband-wife families (53 percent). Members of high-income families tended to work well beyond the normal age of retirement.

The contribution of working wives in high-income families was significant. Without the contribution of the $22,603 average income of working wives, the family income of about 33 percent of families in the top 1 percent category would have been less than the lower limit for the group--$93,200. Average income for all wives totaled $6,221.

More wives at work is a trend that just won't go away, especially for wives of high-income families. Whereas the participation of all wives in the labor force increased from 44 percent in 1970 to 56 percent in 1980, the participation of wives of high-income families increased even more, from 36 percent in 1970 to 59 percent in 1980.

Most high-income families were living in the three provinces of Ontario, Alberta, and British Columbia. The proportion of high-income families increased by 10 percent in Alberta and British Columbia between 1970 and 1980 and declined 10 percent in Quebec and Ontario during the same period. High-income families are concentrated in the metropolitan areas. About 60 percent were residents in centers of 500,000 population or more in 1980.

For more information, order *Characteristics of High Income Families, 1980* (13-584, $20). Contact Abdul Rashid, Labour and Household Surveys Analysis Division at 613-990-9730. Besides examining the sources and composition of the highest earning 1 percent of all families in Canada, this publication analyzes the socio-demographic and economic characteristics of these high-income families, including age structure, educational attainment, work patterns, occupational distributions, and housing costs. Also useful is trend information for some of the characteristics and composition of income of high-income families between 1970 and 1980.

MIDDLE EAST

Iran conducts 1986 census

The Iranian government is reported to be currently conducting a census. The census will cover about 10 million households in urban and rural areas. Preliminary results are expected by January, 1988. For further information, contact Mr. Abdul Ali Chabi, Chief, Bureau of Supervision and International Relations, Statistics Centre of Iran.

EUROPE

United Kingdom household size continues to decrease

The trend towards smaller average household size in the U.K. continued during the early 1980s, following a trend of gradual reduction throughout the 1970s. Household size fell from 2.91 in 1971 to 2.67 in 1979. By 1984, average household size was even lower--2.59 persons.

This decrease is mainly attributable to an increase in the proportion of one-person households and a reduction in the proportion of large households of 5 or more persons. The proportion of one-person households rose from 17 percent in 1971 to 25 percent in 1984, while the proportion of households of five or more persons fell from 6 percent in 1971 to 3 percent in 1984.

More EC women enter higher level jobs

The progress of European Community women into higher-level occupations and into traditionally male positions is still limited and slow. Between 1974 and 1984, the female working population in the EC increased by 6.9 million, or 17.5

continued on p. 12

1986
CUMULATIVE INDEX

This index is for January to November, inclusive. To find subjects that might begin with the word "international," for example "International advertising," look under the most important word--"Advertising." Additional country information may occur under regional or continental headings; so for additional information on Panama in a regional framework, consult "Central America." Starred (*) items are book reviews.

A

Advertising:
  adaptation for international markets, Je/8-9;
  translation services, Je/8;
  Ursula Gruber Communication Internationale, S.A. (advertising firm), Je/8-9
APASCO (demographic data firm), Mr/8
Apple Computer, Inc. (personal computer firm):
  French market, Jl/8;
  Japanese market, O/7
Asia:
  economic growth, Je/4;
  marketing journals, Mr/12
Atlases, economic, Ag/10*
Australia (*See also* Melbourne)
  census, 1986, Ja/7;
  cities, S/11;
  consumer spending, My/12;
  elderly, My/12;
  elderly market, My/12;
  migration, internal, Mr/5;
  population growth, Je/11, S/11;
  population projections, Je/11;
  settlement patterns, Mr/5

B

Belgium:
  advertising, S/6;
  age distribution S/3;
  cities, S/2-4, 7;
  communications, S/6-7;
  consumer spending, S/6;
  economic conditions, S/2-6;
  foreign population, S/4;
  history, S/2;
  households, S/4;
  housing, S/4;
  income, S/5;
  information sources, S/7-8;
  labor force, S/4-5;
  languages, S/1-2;
  population growth, S/1, 3-4;
  regions, S/2-5;
  sex distribution, S/3;
  transportation, S/7
Benefits, personnel, international guidelines, Ag/10*
Brazil:
  consumer spending, F/4;
  contraceptive use, My/10;
  economic conditions, F/4;
  family planning, My/10;
  income, per capita, Mr/10;
  school attendance, Mr/10

C

Canada (*See also* Montreal, Ontario, and Ottawa):
  births, by province, Ja/12;
  census metropolitan areas (CMAs), S/11;
  census of agriculture, 1986, Ja/7;
  demographic magazines, O/8*;
  elderly, Ja/5, 9;
  employment, part-time, S/11;
  families, single-parent, S/11;
  fertility, Mr/11;
  health attitudes, S/9;
  health-care market, Ja/5, O/11;
  income, family, F/11;
  information sources, Ja/5, F/11, O/8*;
  migration, external, policy, Ja/11-12;
  National Capital Economic Area, Je/2, 6-7;
  physical disabilities, O/11;
  population estimates, My/11*;
  population growth, Mr/11, O/11;
  population projections, by province, Ja/5, Mr/11;
  postal codes, Jl/11*;
  smokers, S/9;
  women in the labor force, S/11
Central America:
  age distribution, Ag/5;
  economic conditions, Ag/5;
  income, per capita, Ag/5;
  income distribution, Ag/5,8;
  labor force, Ag/5,8;
  population growth, Ag/5;
  urbanization, Ag/5
China (People's Republic):
  Americans working in, Ja/10-11;
  business journals, O/7;
  income, per capita, Mr/11;
  information sources, Ap/6, Je/9*;
  marketing consultants, Ap/6;
  marketing surveys, Mr/6;
  urban areas, My/11*
Cyprus:
  population growth, Ja/11;
  population policy, Ja/11

D

Demo-graphics (computer software), S/9
Dependency ratio, Ja/11

E

Ecuador:
  communications, Ja/6;
  movies as advertising media, Ja/6
England *See* Great Britain
Europe:
  consumer spending, Ja/9*, F/12*;
  employment, O/11;
  fertility, S/10;
  households, F/12*;
  market research costs, Ap/10;
  social indicators, Ja/9*;
  women in the labor force, Jl/10-11

F

Foreign students in the U.S.:
  countries of origin, Ja/8;
  information sources, Ja/8
France:
  age distribution, S/10;
  Apple Computers, Inc. (computer firm), Jl/8;
  attitudinal surveys, Jl/9-10;
  computer market, Jl/8;
  infant mortality, S/10;
  marriages, S/10;
  migration, internal, S/10-11;
  Plurielles (attitudinal survey), Jl/9-10;
  women, Jl/9-10;
  women's attitudes, Jl/9-10

G

Germany, West:
  alcoholism, O/10;
  consumer spending, O/11;
  drug abuse, O/10;
  employment, S/10;
  employment by size of firm, O/10;
  fertility rate, My/10;
  foreign workers, S/10;
  home ownership, F/10;
  population, S/10;
  research expenditures, My/7;
  Turkish population, Je/10
Great Britain (*See also* London):
  birth control, Mr/7;
  contraceptive use, Mr/7;
  dependency ratio, Ja/11;
  furniture market, Jl/8;
  home ownership, Ja/11, Je/4;
  household size, F/10;
  income, disposable, Je/9;
  leisure activities, Je/4;
  pensioners, Je/9;
  social attitudes, F/12*;
  single-parent families, O/10;
  sterilization, Mr/7

H

Health statistics, worldwide, My/11*
Hong Kong:
  census for small area data, 1986, Ja/7;
  family planning, Ja/10

I

Italy:
  abortion, F/1;
  age distribution, F/3;
  agriculture, F/7;
  cities, F/2;
  commerce, F/1,8;
  communications, F/9;
  consumer spending, F/8;
  contraceptive use, Je/10;
  divorces, F/6;
  economic conditions, F/7-8;
  education, F/6-7, My/10;
  employment opportunities, My/10;
  ethnic groups, F/6;
  fertility, F/3;
  geography, F/2;
  history, F/1-2;
  households, F/4, 6;
  housing, F/6;
  informal sector, F/7, S/11;
  information sources, F/9;
  labor force, F/7;
  male roles, Je/10;
  marriages, F/6;
  migration, external, F/3-4;
  migration, internal, F/3-4;
  population, F/2-3;
  regions, F/2-7;
  transportation, F/8-9;
  vital statistics, F/3-4;
  women in the labor force, F/7

J

Japan (*See also* Tokyo)
  advertising costs, Jl/12;
  advertising media, Jl/12;
  birthrate, Ja/10;
  census, 1985, Ja/7;
  children's market, Ja/7;
  computer game market, S/8;
  computer market, S/8, O/7;
  consumer spending, Ag/8-9;
  consumer surveys, Ag/9;
  elderly market, My/7;
  family size preference, Ja/10;
  foreign firms' market share, Jl/8;
  "hometown movement," Je/4;
  imports, Jl/8, Ag/8;
  leisure activities, S/12;
  log home market, O/7;
  service industry markets, O/8;
  shopping centers, My/7;
  vital statistics, F/11;
  women, Jl/11*;
  women in the labor force, F/11;
  youth, attitudinal surveys of, Ag/9-10;
  youth market, S/8

K

Kenya:
  population growth, Mr/10;
  population policy, Mr/10
Korea, South (*See also* Seoul):
  census, 1985, Ja/7;
  population policy, F/11

L

Lebanon:
  contraceptive use, Je/11;
  family planning, Je/11
Lima, Peru:
  administrative divisions, N/2-4;
  age distribution, N/5-6;
  communication, N/9;
  consumer spending, N/8;
  contraceptive use, N/5;
  death rate, N/5;
  economic conditions, N/8;
  education, N/7;

  ethnic groups, N/6;
  health care, N/7-8;
  households, N/7;
  housing, N/6-7;
  income, N/8;
  industry, N/1-2;
  infant mortality, N/5;
  informal sector, N/8;
  information sources, N/8,
  migration, N/4;
  population, N/1;
  population growth, N/3-4,
  religion, N/6;
  transportation, N/8
London, England (Great Britain):
  population by borough, O/9,
  population projections, O/9

M

Malaysia:
  ethnic groups, Ja/10;
  population, Ja/10,
  population growth, Ja/10
Market research:
  European costs, Ap/10
Melbourne, Australia:
  age distribution, Mr/3, 5-6;
  demographic data companies, Mr/8;
  districts, Mr/3-4;
  education, Mr/7-8,
  ethnic groups, Mr/1-4,
  fertility, Mr/4-5,
  government, Mr/3;
  history, Mr/2;
  households, Mr/6,
  housing, Mr/6-7,
  information sources, Mr/9, 12,
  labor force, Mr/9;
  manufacturing, Mr/9;
  migration, external, Mr/1-4,
  migration, internal, Mr/3,
  population, Mr/2;
  population density, Mr/3;
  population growth, Mr/2-3;
  restaurants, Mr/9;
  retail industry, Mr/9;
  transportation, Mr/8-9
Mexico:
  employment opportunities, O/11;
  labor force projections, O/11
Montreal, Canada:
  age distribution, O/3-4;
  consumer spending, O/5-7;
  education, O/5-6;
  fertility, O/4;
  governmental divisions, O/2-3;
  households, O/5;
  housing, O/5;
  income, household, O/5-6;
  income, per capita, O/6;
  information sources, O/7;
  labor force, O/6;
  languages, O/1-2;
  migration, external, O/4-5;
  population growth, O/3;
  small-area data, O/12
Morocco:
  contraceptive use, Je/11;
  population, Je/11

N

Netherlands:
  censuses, attitudes towards, Je/10;
  registration of population, Je/10
New Zealand census, 1986, Ja/7
Nigeria:
  family planning campaigns, Je/12;
  population growth, Je/12;
  population policy, Je/12

O

Ontario, Canada (province):
  population, Ja/12;
  vital statistics, Ja/12
Ottawa, Canada:
  age distribution, My/1;
  consumer spending, Je/3;
  education, Je/5;
  education, bilingual, Je/5;
  elderly, Je/3;
  employment, Je/5;
  employment opportunities, Je/2;
  ethnic groups, My/1;
  households, Je/3;
  housing, Je/3-4;
  income, household, Je/4-5;
  income, per capita, Je/5;
  information sources, Je/5, 7;
  leisure activities, Je/1-2;
  migration, Je/2;
  National Capital Economic Area, Je/2, 6-7;
  population by ward, My/2;
  population by age and sex, Je/3;
  retail industry, Je/4;
  shopping centers, Je/4
Overseas Assignments, Ja/9*

P

Pakistan:
  Afghan refugees, Je/11, Jl/3;
  business practices, Jl/5;
  cities, Jl/2, 6;
  commerce, Jl/7-8;
  consumer spending, Jl/7-8;
  contraceptive use, Jl/4;
  economic conditions, Jl/7;
  education, Jl/6;
  ethnic groups, Jl/3;
  geography, Jl/1-2;
  health conditions, Jl/4;
  history, Jl/1;
  households, Jl/5-6;
  housing, Jl/4-5;
  information sources, Jl/8;
  labor force, Jl/6-7;
  languages, Jl/3,7;
  population, Jl/2;
  population growth, Jl/2-4;
  regions, Jl/2, 7;
  religion, Jl/2-3;
  urbanization, Jl/2,
  women in the labor force, Jl/7;
  women, status of, Jl/6
Panama:
  administrative districts, Ag/2-3,
  age distribution, Ag/3;
  economic conditions, Ag/1;
  education, Ag/3;
  employment, Ag/3-4;
  ethnic groups, Ag/2;
  fertility, Ag/2;
  health care, Ag/3,
  housing, Ag/4;
  income, per capita, Ag/3;
  information sources, Ag/4;
  labor force, Ag/4;
  languages, Ag/2;
  population growth, Ag/2;
  sex distribution, Ag/4;
  urbanization, Ag/2;
  women in the labor force, Ag/4
Peru (*See also* Lima, Peru):
  cities, N/1-2;
  fertility, N/4-5;
  migration, internal, N/4
Philippines:
  population growth, Je/11;
  population policy, Je/11
Population projections, accuracy, Jl/4
Puerto Rico:
  information sources, F/10;
  metropolitan areas, F/10;
  population, F/10

R

Research centers, directory of, Ag/10-11*
Rumania:
  birthrate, Je/10;
  fertility, Je/10

S

Seoul, Korea:
  migration, disincentives, F/11;
  migration, internal, F/11
Service industries:
  growth in trade, Ag/11-12;
  international markets, Ag/11-12
Social Indicators, F/12*
Sri Lanka census, 1986, Ja/7
Sterilization, Ja/9*
Survey Research Group (SRG) (international marketing research firm), Mr/6

T

Tokyo:
  administrative divisions, Ap/2-3,
  age distribution, Ap/3-4;
  communications, Ap/1-2,
  consumer spending, Ap/7-8,
  education, Ap/9-11;
  households, Ap/3-4, 6, 7;
  housing, Ap/4, 6-7;
  information sources, Ap/11-12;
  labor force, Ap/11;
  neighborhoods, Ap/2-3,
  population density, Ap/3;
  population growth, Ap/3;
  shopping patterns, Ap/7-8;
  social conformity, Ap/10,
  women, Ap/5, 7;
  women, in the labor force, Ap/5;
  women, incomes of, Ap/5;
  women, status of, Ap/5;
  youth, consumer spending, Ap/9;
  youth, values of, Ap/8-9
Turkey:
  abortions, My/10;
  census, 1986, Ja/7;
  fertility, S/10;
  population growth, Mr/10-11;
  urbanization, Mr/10-11;
  workers in West Germany, Je/10
Tunisia:
  age distribution, Ja/3;
  agriculture, Ja/5;
  cities, Ja/2, 4;
  death rates Ja/3;
  economic conditions, Ja/5-6;
  education, Ja/4-5;
  ethnic groups, Ja/2-3;
  family planning, Ja/3,
  geography, Ja/1;
  history, Ja/1-2;
  households, Ja/4;
  housing, Ja/3-4;
  information sources, Ja/6;
  labor force, Ja/5-6;
  language, Ja/3;
  natural resources, Ja/2;
  population, Ja/2;
  regions, Ja/2;
  religions, Ja/2-3;
  utilities, Ja/4;
  women, Ja/5

U

Urban areas:
  accuracy of projections, Jl/4;
  worldwide projections, My/11*
Ursula Gruber Communication Internationale, S.A. (advertising firm), Je/8-9

V

Vietnam:
  information sources, F/11;
  population growth, F/11

W

Webster University:
  educational programs, Ap/12;
  international campuses, Ap/12
Women:
  attitudinal surveys, Jl/9-10;
  labor force participation, Jl/10-11;
  overseas assignments guide, Ja/9*

Y

Youth, statistical indicators worldwide, My/11*

Z

Zambia:
  age distribution, My/3;
  agriculture, My/7-8;
  cities, My/2-3;
  commerce, My/1-2,
  communications, My/9;
  consumer spending, My/8;
  contraceptive use, My/4;
  economic conditions, My/1-2, 7-8;
  education, My/6;
  ethnic groups, My/5-6;
  family planning, My/4,
  family structure, My/5;
  fertility, My/3;
  governmental units, My/2-4,
  health conditions, My/6-7;
  households, 4-5;
  housing, My/5;
  income, My/8;
  information sources, My/9;
  languages, My/6;
  manufacturing, My/8;
  migration, internal, My/5;
  natural resources, My/1;
  political conditions, My/2;
  population, My/3;
  population growth, My/3-4;
  population policy, My/4-5,
  religions, My/6;
  transportation, My/9;
  urbanization, My/3;
  women in the labor force, My/8

—compiled by Robert Kibbee

continued from p. 9

percent, and the number of women in employment increased by 3 million, or 7.9 percent.

Most newly employed women work in the service sector. A 1984 survey found that 26 percent of women in paid employment surveyed felt they had ordinary jobs with little responsibility. Fifty-nine percent said they belonged to the staff or administration. Only 2 percent said they held managerial positions.

SOUTH AMERICA

Big city growth in Latin America

Mexico City is *numero uno* and will stay that way, according to UN projections. In 1950 Mexico City ranked third among Latin America's 12 largest cities, following Buenos Aires and Rio de Janeiro. By 1985, it took first place with 17.3 million people. By the year 2000, its population is projected to jump to about 26 million.

Sao Paulo will hang on to its second-place ranking. At 15.8 million people in 1985, Sao Paulo is expected to swell to about 24 million in the year 2000. Fourth-place 1985 Rio de Janeiro will jump to third place by the year 2000, with its 1985 population of 10.3 million increasing to 13.2 million in 2000.

Buenos Aires, ranked third in 1985, will fall to fourth place in the year 2000, with its population increasing from 10.8 million in 1985 to 13.1 million in the year 2000.

Lima will retain its fifth-place 1985 ranking in the year 2000. Lima's projected 2000 population is 9.1 million. Bogota too will retain its 1985 sixth-place ranking into the year 2000, with its 2000 population increasing to 6.5 million from 4.5 million in 1985.

Santiago's projected year 2000 population of 5.2 million places it in seventh place. Eighth place goes to Belo Horizonte (5.1 million); ninth to Caracas (5 million); tenth to Guadalajara (4.1 million); eleventh to Porto Alegre (4 million); and twelfth to Monterrey (3.9 million).

Urban primacy in six Latin American countries and the United States
(ratio of population in largest city to that of three next ranking cities)

country	*pre-1940*	*about 1960*	*about 1980*
Brazil	1.0	0.8	0.9
Chile	1.8	2.5	2.8
Colombia	0.8	0.8	0.9
Mexico	2.4	2.6	2.8
Peru	4.2	5.0	4.2
Venezuela	1.2	1.6	1.5
United States	0.8	0.6	0.7

Source: Harley L. Browning, Robert W. Fox, United Nations, U.S. Bureau of the Census.

ASIA

Singapore transition to low fertility complete

Singapore's fertility is now well below the approximately 2.1 level of fertility necessary for replacement. However, Singapore's population is still growing due to the large number of women in the childbearing ages of 15-49. Its current 1.1 percent growth rate should eventually fall as the proportion of women in the childbearing ages decreases.

Singapore's population now stands at about 2.6 million. Its 1986 fertility rate is 1.7, far below its 1965 figure of 4.9 lifetime births per woman.

Number of young, single women increases in Japan

Old ideas hang on in Japan but the numbers tell the real story. Although the most marriageable age for young women is considered to be between 20 and 24, the number of single women in this age group accounts for about 81 percent of females, as compared to about 70 percent in 1975.

Old folks in Japan top 10 percent of total population

For the first time, the rapidly increasing number of elderly in Japan tops 10 percent, according to Japan's recently released 1985 census report. This report presents the findings of a 1 percent sampling of the 1985 census, which was taken in October of 1985.

Japan's population now stands at 120,980,000 people. Those under age 15 number 26,090,000, or about 21 percent of the population. Those between the ages of 15 and 64 number 82,500,000, or about 68 percent of the population. •

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International Demographics

Trends & Opportunities Abroad, 1987

an annual special publication of International Demographics

Up-to-date information on how consumers are changing in our top fifty trading partners

Trend analysis by country cluster

Population growth from 1970 to 1995

Population gains and losses by age groups

Trends & Opportunities Abroad, 1987

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Table of Contents

Introduction

A Country Cluster Overview | III-VIII
Country Clusters--Where Are They? | IX-X

The Dependents

The Dependents Overview | 1-2
Kenya | 3-6
Pakistan | 7-10
Saudi Arabia | 11-14

The Seekers

The Seekers Overview | 15-16
Egypt | 17-20
India | 21-24
Indonesia | 25-28
Malaysia | 29-32
South Africa | 33-36
Sri Lanka | 37-40
Tunisia | 41-44

The Climbers

The Climbers Overview | 45-46
Brazil | 47-50
China | 51-54
Costa Rica | 55-58
Mexico | 59-62
Peru | 63-66
Portugal | 67-70
Puerto Rico | 71-74
South Korea | 75-78
Taiwan | 79-82
Thailand | 83-86
The Philippines | 87-90
Turkey | 91-94
Venezuela | 95-98

The Ultimate Consumers

The Ultimate Consumers Overview | 99-100
Argentina | 101-104
Australia | 105-108
Austria | 109-112
Belgium | 113-116
Canada | 117-120
Chile | 121-124
East Germany | 125-128
Finland | 129-132
France | 133-136
Greece | 137-140
Hong Kong | 141-144
Ireland | 145-148
Italy | 149-152
Japan | 153-156
Luxembourg | 157-160
New Zealand | 161-164
Norway | 165-168
Singapore | 169-172
Spain | 173-176
Switzerland | 177-180
The Netherlands | 181-184
USA | 185-188
USSR | 189-192
Yugoslavia 193-196

The Rocking Chairs

The Rocking Chairs Overview | 197-198
Denmark | 199-202
Sweden | 203-206
The United Kingdom | 207-210
West Germany | 211-214
Appendix A. List of 150 Countries and Where They Fit in International Demographic Clusters | 215-216
Appendix B. References | 217

To find a country alphabetically...

Argentina | 101
Australia | 105
Austria | 109
Belgium | 113
Brazil | 47
Canada | 117
Chile | 121
China | 51
Costa Rica | 55
Denmark | 199
East Germany | 125
Egypt | 17
Finland | 129
France | 133
Greece | 137
Hong Kong | 141
India | 21
Indonesia | 25
Ireland | 145
Italy | 149
Japan | 153
Kenya | 3
Luxembourg | 157
Malaysia | 29
Mexico | 59
Netherlands | 181
New Zealand | 161
Norway | 165
Pakistan | 7
Peru | 63
Philippines | 87
Portugal | 67
Puerto Rico | 71
Saudi Arabia | 11
Singapore | 169
South Africa | 33
South Korea | 75
Spain | 173
Sri Lanka | 37
Sweden | 203
Switzerland | 177
Taiwan | 79
Thailand | 83
Tunisia | 41
Turkey | 91
United Kingdom | 207
USA | 185
USSR | 189
Venezuela | 95
West Germany | 211
Yugoslavia | 193

A Country Cluster Overview

Lumping the world's nations into the two categories of "developing" and "developed" no longer works. The current dynamics of global demographics and economics increasingly point out how developing and developed countries differ within these two broad groupings.

To better understand the consumer market potential of today's world, International Demographics clusters the world's 150 largest countries based on their demographic and socioeconomic characteristics. The names of the five clusters--The Dependents, The Seekers, The Climbers, The Ultimate Consumers, and The Rocking Chairs--help identify the kind of consumer markets the countries represent. The clusters give market researchers a quick way of targeting potential world markets for further research effort.

The 50 countries included in this year's volume are considered potential markets. They are organized by cluster. Within each cluster, they are listed alphabetically. All data cited are the most current numbers available to International Demographics. All population estimates are the latest projections by the Center for International Research, U.S. Census Bureau. For a list of all sources used, see the appendix at the back of this volume. It is important to note that projections are not predictions but rather the best estimates of what may occur in the future.

For a listing of where all of the other countries of the world fit into the International Demographics clusters, see the appendix at the back of this volume. Only demographic and socioeconomic indicators are used to cluster countries. Other considerations, such as the political climate or the inflation rate, are not taken into account.

HOW POPULATION TRENDS AFFECT MARKETS

Population trends are powerful movers and shakers. Those of the next 14 years will change existing markets, shaking out new markets with different characteristics. For Seeker and Climber countries, current and anticipated growth in populations and income mean expanding markets far into the future. For Ultimate Consumer and Rocking Chair countries, increasingly sophisticated tastes and the needs of the aging will fuel the market. For Dependent countries--the poorest part of the world economy--only intensified efforts by the countries themselves and greater assistance from the international development community can pull these countries up in the face of the relentless demographic pressure of skyrocketing population growth.

Population trends are powerful movers and shakers.

The sheer size of the market in Seeker and Climber countries is enough to indicate increasing consumer demand. Add to that the predominance of youth and the relentless rural-to-urban shift, and it's easy to see that demand will center on consumer durables for beginning families as the large proportions of youth enter their prime spending years of 15 to 64 years of age. Construction, sanitation, power, telecommunications, and transport are expected to boom as youth add pressure to urban job markets and housing.

Slowed or stagnated growth in the rapidly aging Ultimate Consumer and Rocking Chair countries tells a totally different story. Some Rocking Chair countries such as West Germany are already experiencing natural decrease--more deaths than births. Market growth in the Ultimate Consumer and Rocking Chair countries is tuned to the increasingly sophisticated tastes and needs of the elderly rather than to an increase in numbers.

FOUR DEMOGRAPHIC FACTORS SHOW MARKET POTENTIAL

Four demographic factors help identify market potential--the average annual population growth rate, the average number of lifetime births per woman, the status of women, and urbanization.

Countries not presently considered good potential markets look like this: they are growing very rapidly at an average annual population growth rate of about 2.5 percent or more. What's more, they will continue to do so, fueled by a high fertility rate of five or more lifetime births per woman. The status of women is low, with low labor force participation rates and low educational attainment. The urban population is concentrated in one city which often holds from one-fourth to one-third of the country's entire population.

In contrast, countries with good market potential are growing more slowly, at a rate of 1.5 percent to 2.5 percent a year. They will continue to grow, but fertility is under control, with women bearing 2.6 to 5 children in their lifetimes. The status of women is improving, with increasing numbers entering the labor force and gaining higher educations. Urbanization is spread throughout the country with several large cities instead of one large mega-city.

Countries with mature markets are growing very slowly or are close to stabilizing their populations. Only a few are actually declining in population. They are growing at an average annual rate of under 1.5 percent. Women bear 2.5 children or less in their lifetimes, or around the number of births a population needs to just reproduce itself--2.1 lifetime births per woman.

Countries with mature markets are growing very slowly or are close to stabilizing their populations.

THE DEPENDENTS

About 15 percent of the world's population--730 million people--live in The Dependents. The cluster includes 55 countries, two-thirds of which are in Africa. Nine of the countries are in Asia, six in the Mideast, and three in Latin America.

Dependent countries rely primarily on others for food supplies, for professional assistance in building infrastructure, and for educating their youth, especially at the higher levels. Although these countries are making efforts to improve health and education, to slow population growth, to upgrade the status of women, and to increase access to family planning information and supplies, they still have a long haul ahead of them.

Women in these countries commonly bear seven or eight children during their lifetimes. Infant mortality rates are high, due primarily to lack of adequate health care. To compensate for these high mortality rates, women bear many children, playing catch-up ball in an effort to secure their old age and increase the family labor

THE DEPENDENTS

force. Population growth rates are moderate, however, even though fertility is high, because so many infants die.

Another result of high infant mortality is a lowered median age for the populations of Dependent countries. Median age hovers around 18 to 20. Once infant mortality rates are controlled, population growth in these countries will skyrocket.

Due to the agricultural nature of most of the Dependent countries, most women remain in the countryside to work.

Most of the Dependent countries are predominantly rural, with one or two large cities, no medium-sized cities, and hundreds of small, often tribal, villages. Would-be workers flock to the cities, placing relentless pressure on the limited urban job market and housing stock. Due to the agricultural nature of most of the Dependent countries, most women remain in the countryside to work. Women have little access to education and participate only marginally in the wage-earning sector of the economy.

The middle and upper classes in these countries are made up primarily of government officials, residents who have been educated outside of the country, and expatriates.

THE SEEKERS

This cluster includes 32 countries with a total population of about 1.2 billion people or about 21 percent of the world's population. Thirteen Seeker countries are in Africa, six are in the Mideast, and seven are in Asia. Seeker India's 730 million people make this cluster the second largest of the five. The smallest Seekers are Qatar and Surinam; the largest, India and Indonesia.

In Seeker countries, women commonly bear five or six children in their lifetimes. Infant mortality rates are below those of the Dependents, allowing women more leeway in considering family planning. The median age is in the high teens or early twenties. Life expectancy is slightly higher than in the Dependents--between age 50 and 60 for most countries. Concerted efforts are being made in many Seeker nations to improve health and education, slow population growth, upgrade the status of women by encouraging them to participate in higher education and the labor force, and increase access to family planning information and supplies. But many still have a long way to go, due to the size of their populations and the fact that many of these policies are still in their infancy, having been started in the 1970s.

Urban growth is rapid in Seeker countries, with usually several large cities leading the pack.

Seeker countries are more evenly urbanized than Dependent nations, although some nations like India have large mega-cities coping with enormous demographic pressures. Urban growth is rapid in Seeker countries, with usually several large cities leading the pack. However, attempts are being made in many Seeker nations to increase agricultural production and encourage people to stay down on the farm or to return to rural areas. Indonesia is the most striking example of this kind of policy.

THE CLIMBERS

Climber countries are on the move, as their name implies. The countries in this cluster are demographically the most important expanding markets in the world today. The middle classes of

THE SEEKERS

Climber countries are growing quickly and great potential exists for sales of new products and services, especially to the large numbers of young adults just entering their prime spending years.

The Climber cluster includes 28 countries with 1.6 billion people or about 38 percent of the world's population. China's over 1 billion adds significant numbers to this cluster. Only one African country appears in this cluster along with six Asian, one Middle Eastern, 15 Latin American, and five European countries. The smallest of the Climbers are Barbados and Martinique. The largest are China and Brazil.

Women in Climber countries typically bear three to five children, although China stands out as a notable exception with births down to about two children per woman. Climber women are much more likely to participate in the workforce in some capacity besides doing farm work and to have attained at least an elementary school education.

The middle classes of Climber countries are growing quickly and great potential exists for sales of new products and services, especially to the large numbers of young adults just entering their prime spending years.

Because of the speed with which Climber countries have joined the modern world, populations need to be looked at according to age group. Significant differences exist between the young and the old in literacy, educational attainment, professional achievement, and lifestyle choices. Regional differences are also often acute. In many Climber countries, modern cities with large middle classes and rural areas with virtually no services and extreme poverty exist side by side.

Significant improvements in health care have lengthened life expectancies and cut the death and infant mortality rates in Climber countries. Life expectancy is increasing, although the majority of people in Climber countries do not live to age 65. A steady improvement in life expectancy should continue through the 1990s, increasing the demand for such health-related services as dentistry, optometry, and such medical appliances as partial plates, glasses, and contact lenses. In addition, pressure will also be stepped up for providing pensions as people increasingly wonder who will care for them in their old age.

Continued economic growth is all important to still-growing populations of most Climber countries. Economic growth must keep pace with the persistent demographic pressures of already large populations getting bigger. The falling population growth rates of the Climber countries will not take the pressure off most of these countries until the beginning of the next century at the earliest. Large numbers of people will be added before their populations stabilize, even after they attain replacement-level fertility, because of the demographic momentum built into their large and youthful population bases.

This is especially true for the economically troubled Climber countries in Latin America such as Peru and Mexico. And even such economic movers as Climbers Brazil and Venezuela will have to grow at a rapid pace just to tread water. In some Climber countries such as South Korea and Taiwan, however, economic growth far exceeds the rate of population growth, resulting in rising purchasing power.

Rapid population growth has its detractors and backers. Some argue that rapid population growth is a stimulant for economic growth, others see it as a deterrent. No matter which side of the de-

THE CLIMBERS

bate, however, no one doubts that rapidly growing populations do add time constraints to the big task of providing jobs and housing for large groups of young people just entering their prime earning and spending years.

Many of these pressures are felt in the rapidly expanding cities which must make room for youthful job seekers in their formal labor forces, or relegate them to lower-paid jobs in the informal sector. They must also provide housing for youth's newly forming families. Already hard-hit cities include Brazil's Sao Paulo and Rio de Janeiro, Mexico's Mexico City, Peru's Lima, and India's Bombay and Calcutta. Many Climber countries are making concerted efforts to redistribute the population from one or two large cities into other less-populated areas. Investment outside the metropolitan areas is encouraged. Firms willing to locate in medium-sized cities may face better prospects for government approval.

THE ULTIMATE CONSUMERS

This is the cluster most familiar to North American, Japanese, and Western European consumer goods firms. The Ultimate Consumer countries are their main markets.

The combination of smaller families and higher incomes resulting from two paychecks per family gives Ultimate Consumers more discretionary income.

Thirty-three countries with a total population of about 1 billion people--a fifth of the world's population--fall in this cluster. Twenty-one of them are European countries, two are North American, four are Latin American, five are Asian-Pacific, and one is Middle Eastern. Not surprisingly, no African country is included. Seven Eastern Bloc countries are included in this cluster because of their demographic characteristics, even though their market potential is limited to the West.

Without the need to bear more children to secure their old age, increase the family labor force, or compensate for high mortality, Ultimate Consumer women commonly have two to three children in their lifetimes. Increased educational attainment and socioeconomic development encourage Ultimate Consumer women to participate more in the workforce. The combination of smaller families and higher incomes resulting from two paychecks per family gives Ultimate Consumers more discretionary income.

Educational attainment is high in Ultimate Consumer countries. Almost all children attend school at least until they are 16 years old, and many further their education by attending college or a vocational or technical school.

Both men and women in the Ultimate Consumer countries commonly live to their early or mid-70s. Improvements in life expectancy in the next decade will be slight compared to strides made in Climber countries.

Median age in Ultimate Consumer countries is above 30, and household formation years are peaking. But by the mid-1990s, countries in the Ultimate Consumer cluster will move strongly into middle age, with the median age rising to about 40 years as elderly people represent an increasingly larger proportion of the population.

Services, goods, and jobs are evenly distributed throughout Ultimate Consumer countries. Population shifts occur moderately and often cities and rural areas seesaw from one census to another.

THE ULTIMATE CONSUMERS

THE ROCKING CHAIRS

Rapid population aging is the spectre haunting the four Rocking Chair countries--Denmark, West Germany, Sweden, and the United Kingdom. In all of these countries, the already disproportionately large proportion of those over age 65 will become more so in the near future. Such rapid aging will take its toll as shrinking numbers of workers must pick up the bill for increasing numbers of pensioners.

With only a total population of 131 million, or about 3 percent of the world's population, taken by themselves the Rocking Chairs might not command all that much attention. But because they are positioned at the crest of a very large wave soon to break--the aging of the rest of Europe and North America--how these few countries handle the resultant social tensions attending rapid population aging will be a harbinger of things to come.

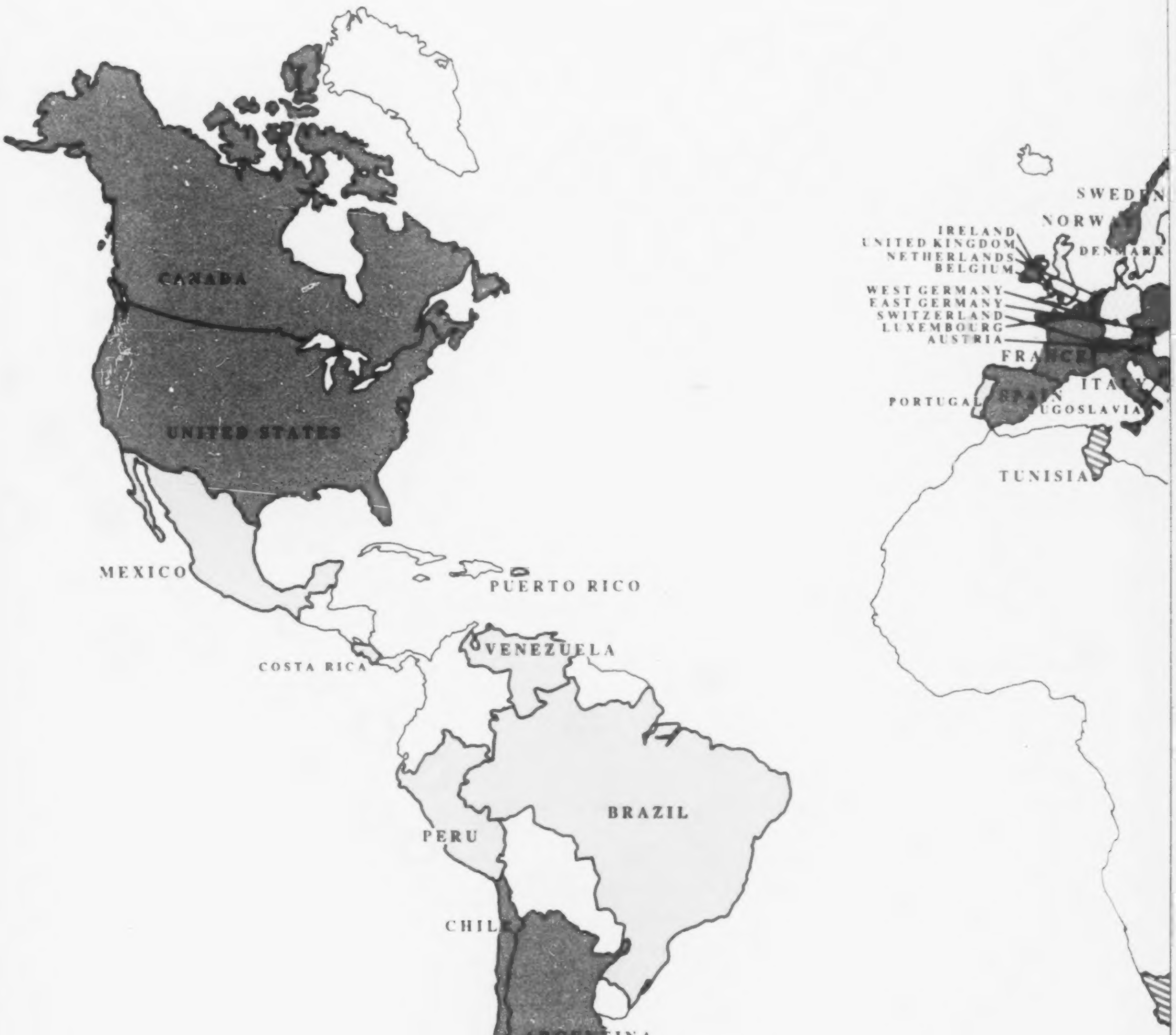
The Rocking Chair countries are positioned at the crest of a very large wave soon to break--the aging of the rest of Europe and North America.

Women of the Rocking Chair countries have fewer than two children each. Couples are not even replacing themselves. Under these circumstances, beefing up sagging population figures can only come through immigration--an unpopular though practical solution. The population of these countries will remain fairly stable or decrease slightly with fewer and fewer babies being born. As a result, the proportion of the elderly relative to youth will increase significantly.

Changes lie ahead in the purchasing behavior of mature households as the more educated, more moneyed middle-aged people enter the ranks of the elderly. Factors such as whether or not persons must themselves finance their retirement, the need for sheltered housing, health care costs, and the level of government social security and support service expenditure need to be considered when looking at these markets.

THE ROCKING CHAIRS

The Country Clusters-- where are they?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WEST GERMANY
EAST GERMANY
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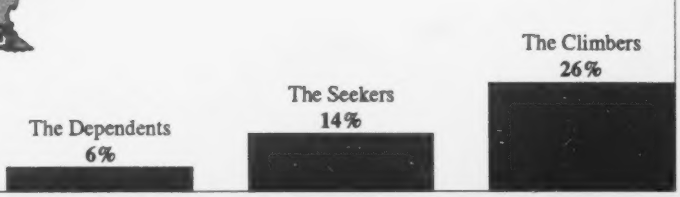
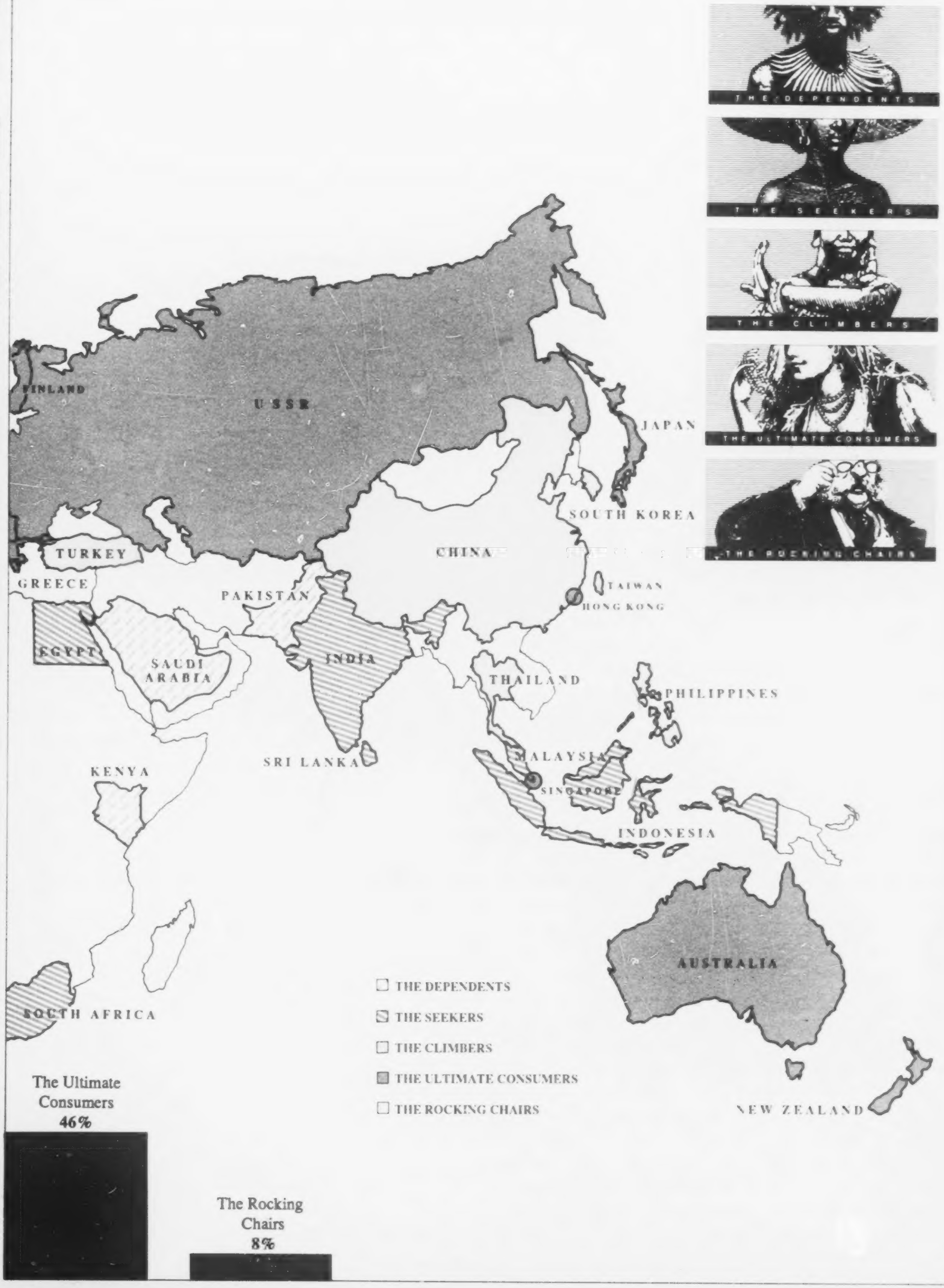
The Country Clusters-- who dominates?




THE DEPENDENTS
THE SEEKERS
THE CLIMBERS
THE ULTIMATE CONSUMERS
THE ROCKING CHAIRS
FINLAND
USSR
JAPAN
SOUTH KOREA
CHINA
TAIWAN
HONG KONG
TURKEY
GREECE
PAKISTAN
EGYPT
SAUDI ARABIA
INDIA
THAILAND
PHILIPPINES
SRI LANKA
MALAYSIA
SINGAPORE
KENYA
INDONESIA
AUSTRALIA
SOUTH AFRICA
NEW ZEALAND
☐ THE DEPENDENTS
▨ THE SEEKERS
☐ THE CLIMBERS
■ THE ULTIMATE CONSUMERS
☐ THE ROCKING CHAIRS
The Ultimate Consumers
46%
The Rocking Chairs
8%

THE DEPENDENTS

When looking at the four key demographic factors that help identify market potential, The Dependents lose on all counts.

Take Kenya, for example. The total fertility rate--or the average number of children a woman will bear in her lifetime--is well above the 2.6 to 5 children per woman figure considered necessary for a country to be a good potential market. With the average woman bearing about eight children in her lifetime and little prospect of change in the near future, the country shows little promise as a consumer market in this century. Just keeping up with the basic needs of a surging population will strain already limited resources. And Kenya's record-high population growth rate of about 4.2 percent a year is far above the 1.5 to 2.5 percent considered necessary to be classified as a potential market.

Another important demographic factor is a country's pattern of urbanization. Not just percent urban, but size of major cities and how these cities are distributed around the country. A country with good market potential has a city pattern similar to that of a large state in the U.S., with several large cities and many more intermediate-sized cities.

Kenya's urbanization pattern mirrors that of many other Dependent countries, with only one large city housing most of the country's urban population. Kenya's largest city, Nairobi, has about a million people, and its next largest city only half that. Two other cities have more than 100,000 people, but most have 40,000 or fewer people. Fifty-seven percent of Kenya's urban population lives in Nairobi. And with insufficient industry to support the city, it lives off hinterland agriculture and foreign loans.

The status of women also tells a lot about whether a country has good market potential or not. With some exceptions, women in Dependent countries have little access to education and are not an integral part of the labor force except in rural areas where they work in agriculture. The economies of the Dependents are mainly agricultural, as compared with the largely industrial economies of the Climbers and the service economies of the Ultimate Consumers. Most of the Dependents are still struggling to become self-sufficient in food.

MEDIAN AGE HIGHER THAN IN SEEKER NATIONS

Dependent countries usually have high infant mortality rates due to a lack of basic sanitation and the large percentage of rural inhabitants with little or no access to modern medical facilities or supplies. Women typically play catch-up ball by bearing many children in an effort to secure their old age and increase the family labor force.

Because these infant mortality rates are high, the median age in Dependent nations is not as low as in the Seeker and Climber nations. It is not unusual for half the population of a Dependent nation to be over age 18 or age 20, whereas many Seeker countries have a median age of about 15, meaning that half of their populations are under age 15.

TWO-THIRDS OF DEPENDENT NATIONS ARE AFRICAN

With high birthrates, only marginal lowering of fertility rates, and declining death rates, Dependent nations--most of which are located in Africa--have the demographic potential to grow as projected. But all projections about Dependent nations need to be carefully considered in light of recent social, political, and economic trends in these countries. Projected increases for Dependent nations need to be tempered by realistic appraisals of how their populations are responding to demographic pressures. Africa's growth may well fall far below the projected mark due to potential declines in fertility in response to mounting demographic pressures and economies unable to cope with supporting their peoples.

Kenya

THE DEPENDENTS

Kenya's record-high population growth rate of about 4.2 percent a year places unrelenting demographic pressures on this Dependent nation. Its population of 21 million in 1986 is slated to quadruple to 83 million by 2025. Lowered mortality rates and sustained high fertility rates--or the average number of lifetime births per woman--are the culprits. Kenyan women still average about 8 children each. By the time Kenya's population growth is expected to stabilize, the country will have almost 6 times its present population.

Kenya's population grew fully 41 percent between the censuses of 1969 and 1979, and its growth rate is increasing. Kenya's population growth rate climbed in the 1960s, 1970s, and 1980s as mortality declined--due to the introduction of modern medicine--and fertility remained high. The death rate dropped from 27 deaths per 1,000 in the early 1950s to 14 per 1,000 in the early 1980s. However, the average number of lifetime births per woman remained high, hovering around 8 births per woman.

Such high fertility rates have resulted in an extremely youthful population. About 53 percent of Kenyans are under age 15. What this means now is a high ratio of dependent children to producers. Down the road, it means surging population growth as these children become adults and move into their childbearing years.

What's more, no relief is within sight. Fertility change has been negligible, even though the government has a family planning program. However, some change has been noted in the desired family size by ever-married women, which dropped by one child, from 7.2 children in 1978 to 6.2 children in 1984. Also the percentage of currently married women using contraceptives went from 7 percent to 17 percent during the same period.

> ***By the time Kenya's population growth is expected to stabilize, the country will have almost 6 times its present population.***

Experts foresee fertility dropping as women become better educated. This holds out some hope for Kenya--a country that has seen primary school enrollments jump from 50 percent to 95 percent for girls between 1970 and 1980. The Kenya Contraceptive Prevalence Survey of 1984 found that family-size desires and fertility are lower and contraceptive use higher among better educated women. Thirty-six percent of the surveyed Kenyan women who were married and who had nine or more years of schooling were currently using contraceptives, as compared to only 19 percent of their counterparts who had only 5 to 8 years of schooling.

KENYA REMAINS LARGELY RURAL

About 83 percent of Kenyans live in rural areas. Urban areas are defined as those with

*See the September 1982 issue of **International Demographics** for in-depth consumer information about Kenya. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

more than 2,000 inhabitants. Because Kenya remains largely rural, traditional concepts of employment and labor force participation make no sense when looking at Kenya.

About two-thirds of Kenya's population worked on farms in 1980. Only 12 percent of the population aged 15 and over were employed in wage labor, or about 1 million people, as compared to only about 700,000 in 1971. One-quarter of all wage earners were employed in the agricultural and forestry industry in 1980, and almost half of those jobs were on coffee or tea plantations. Thirty-six percent of earners worked in community, social, and personal services, three-quarters of which were public-sector jobs.

Manufacturing employed 14 percent of all earners in 1980. Construction, wholesale and retail trade, and transportation and communications each accounted for about 6 percent of employment. Mining, electricity and water, and financial services accounted for the remaining 5 percent of the modern-sector economy.

Construction, the fastest growing industry between 1975 and 1980, grew 51 percent. Financial services, including insurance, real estate, and business services, grew 48 percent; manufacturing, 37 percent. Mining and quarrying were down, however, declining by 26 percent.

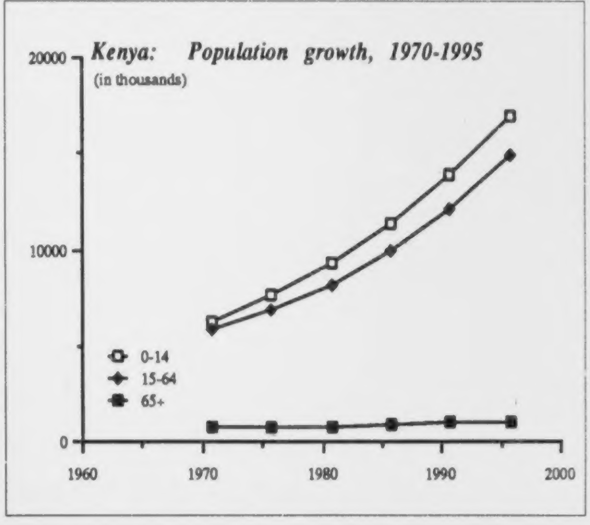
In 1979, Kenyans working in non-agricultural jobs earned an average of $159 a month; manufacturing, $148; mining and quarrying, $138; construction, $219; and agriculture (including wages and room and board) $56.

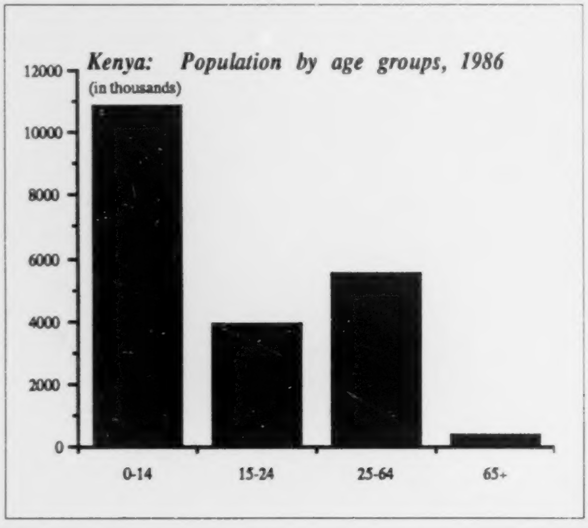
WHAT LIES AHEAD

Kenya is a country of great potential at the crossroads. Continuing on the path of relative stability, freedom, and increasing prosperity that marked the country's post-independence experience under President Jomo Kenyatta will require extraordinary leadership and an enlightened management of the economy.

In the late 1970s, soaring world prices for tea and coffee--important Kenyan exports--made for an optimistic future. However, the more recent decline in prices has put Kenya in an awkward balance-of-payments position. Development plans made only a few years ago now appear financially unfeasible. The guidelines for the next five years--1983 to 1988--stress conservative fiscal policy and the need to live within constraints on foreign exchange and domestic resources.

The government is interested in improving agricultural production. It will emphasize technologies that increase the number of productive employment opportunities for unskilled labor while conserving capital, especially foreign exchange. Public works will emphasize small-scale local projects. The private sector will most likely play a vigorous role in manufacturing and commercial activities. Demand for consumer goods will be strong, but foreign-exchange shortages may constrain imports. ■


Kenya: Population growth, 1970-1995
(in thousands)


Kenya: Population by age groups, 1986
(in thousands)

take a quick look at Kenya

POPULATION

Total population (estimated 1986) | **21,453,118**
Rate of population growth (percent) | **4.22**
Lifetime births per woman (total fertility rate) | **8.01**
Birthrate (births per 1,000) | **52.08**
Death rate (deaths per 1,000) | **9.87**
Population under 15 (percent) | **51.5**
Population aged 65 plus (percent) | **2.1**
Median age | **14.1**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **41.4**
Number of persons per square kilometer | **35**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **60/58/62**
Infant mortality rate (number per 1,000 live births) | **76**
Population per physician/per nursing person | **7,540/990**
Daily calorie supply per capita (calories per person per day) | **1,919**

Education

Percent literate (male/female, total percentage) | **66/35, 50**
Number enrolled in secondary education as percentage of age group (male/female) | **23/15**
Number enrolled in higher education as percentage of population aged 20-24 | **1**

Labor force

Percent of labor force in agriculture/industry/services | **81/7/12**
Percentage of population of working age (aged 15-64) | **46.4**
Age-dependency ratio | **119**

STATUS OF WOMEN

Labor force participation rate (percent) | **47**
Number enrolled in secondary education as percentage of age group | **15**
Percent of women aged 15-49 using contraceptives | **17**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **20/80**

Population of major metropolitan areas

city name | **Nairobi 850,000**

city name | **Mombasa 400,000**

Average annual growth in cities of 20,000 or more (percent) | **8.1**

Average annual growth in rural areas (percent) | **3.2**

Rate of total population growth (percent) | **4.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$310**

Pakistan

THE DEPENDENTS

Marked by years of rapid growth alternating with periods of virtual stagnation, the Pakistani economy is currently on the upswing. In 1985, government controls to curb inflation and favorable farming conditions brought about a record rise in the GDP of 8.4 percent.

The largest share of the economy belongs to the service industries, accounting for 45.8 percent of the GDP in 1985. Although agriculture grew by a record 9.9 percent in 1985, its share of the GDP declined to 24.7 percent from 27 percent in 1983. Agriculture, the traditional foundation of the economy, is slowly giving way to manufacturing. Manufacturing gained the largest share of the GDP, growing from 20.1 percent in 1983 to 21.1 percent in 1985.

RUNAWAY POPULATION GROWTH

At independence in 1947, Pakistan was home to 32 million people. By 1984, the population had tripled to 93 million, making Pakistan the world's ninth most populous country. Its 3 percent annual population growth rate placed it among the world's fastest growing countries.

Pakistan's 1986 population of 101.7 million people is expected to grow to 145.2 million in the year 2000 and 242.1 million in 2020, due to the expectation of sustained high fertility and declining mortality. The average Pakistani woman in 1986 will bear 6.6 children in her lifetime. This figure is projected to decline to about 5.7 lifetime births per woman in the year 2000 and to 4.2 lifetime births in 2020.

Pakistan belongs to the group of less-developed countries in which fertility remains high up to the year 2000 and mortality continues to decline gradually, keeping the proportion of the population aged 60 and over low during the whole period and the proportion of the young increasing up to the year 2000, after which it slowly begins to shrink.

> ***Pakistan's migrant worker remittances are bigger than the country's total merchandise exports.***

Pakistan's population is currently youthful and will remain that way well into the 21st century due to these differential rates of fertility and mortality. In 1986, 43 percent of its population was under age 15. Another 19 percent was between the ages of 15 and 24. Only 4.1 percent were aged 65 and over, as life expectancy is very low--55 years for men and 54 years for women. The proportion of youth aged under 15 will remain high past the year 2000, decreasing only slightly to 41.6 percent of the population in 1995 and 39.2 percent in the year 2000. The proportion of those 65 and over will remain relatively unchanged, hovering around 5.2 percent of the population past the year 2000.

*See the July 1986 issue of **International Demographics** for in-depth consumer information about Pakistan. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

RAPIDLY EXPANDING WORKFORCE

The rapid growth of the workforce--from 10.4 million in 1951 to 28.6 million in 1986--mirrors the high population growth rate and reflects the tendency of school-age children to work. In 1985, an estimated 21 percent of all 10-to-14-year-olds and 40 percent of all 15-to-19-year-olds worked.

Agriculture, including forestry and fishing, employs the vast majority of the country's labor force, although in increasingly smaller proportions. In 1983, about 55 percent of all workers were involved in agricultural activities compared to 57 percent in 1972. The proportion of the labor force in mining and manufacturing grew slowly from 12.9 percent in 1972 to 13.7 percent in 1983, in the trade industry from 10 percent to 11 percent, in construction from 3.4 percent to 4.2 percent and in public utilities from 0.4 percent to 0.5 percent. Those working in the transport and communications sector remained at 4.7 percent, while the proportion of workers in other services declined from 11.2 to 10.3 percent.

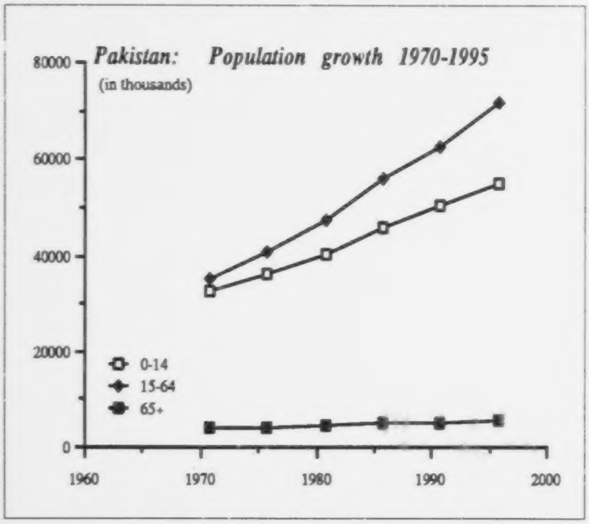
PAKISTANI MIGRANT WORKERS BRING HOME OVER 40 PERCENT OF PAKISTAN'S FOREIGN EXCHANGE

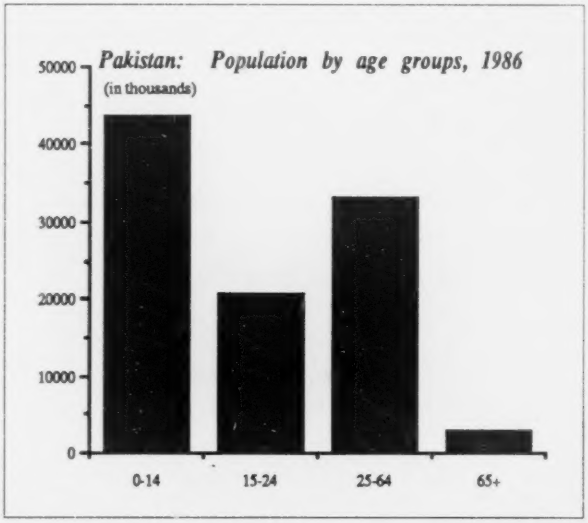
Pakistan's migrant worker remittances are bigger than the country's total merchandise exports. In 1985, workers sent home a little less than $3 billion. Most Pakistanis leave Pakistan for the lucrative job market of the Middle East. However, falling oil revenues are speeding the departure of migrants from the Persian Gulf and Saudi Arabia and reducing the flow of new migrants from Asia to the Middle East. And many of those who remain have taken pay cuts.

PAKISTANI WOMEN NO BETTER OFF

Pakistani women get less food, clothing, and care than their male counterparts. They even die younger. And, while the proportion of the workforces of most developing countries made up of women increases, the opposite is true for Pakistan. Women made up 8 percent of the workforce in 1977; today, they only account for 5 percent of the workforce.

Although some gains have been made in education--the percentage of literate women has doubled since 1947--large disparities between men's and women's educational attainment still exist. In all provinces, women have lower literacy rates than men at all age levels. In 1981, 86.3 percent of women aged 10 and over were illiterate, compared to 68.2 percent of men. And in 1985, only 7 percent of young women were enrolled in secondary school, as compared with 27 percent of young men.





take a quick look at Pakistan

POPULATION

Total population (estimated 1986) | **101,768,961**
Rate of population growth (percent) | **2.76**
Lifetime births per woman (total fertility rate) | **6.68**
Birthrate (births per 1,000) | **43.45**
Death rate (deaths per 1,000) | **14.91**
Population under 15 (percent) | **42.9**
Population aged 65 plus (percent) | **4.1**
Median age | **17.6**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **45.3**
Number of persons per square kilometer | **126**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **53/54**
Infant mortality rate (number per 1,000 live births) | **123.3**
Population per physician/per nursing person | **3,320/5,870**
Daily calorie supply per capita (calories per person per day) | **2,205**

Education

Percent literate (male/female, total percentage) | **30/11, 21**
Number enrolled in secondary education as percentage of age group (male/female) | **27/7**
Number enrolled in higher education as percentage of population aged 20-24 | **2**

Labor force

Percent of labor force in agriculture/industry/services | **55/16/30**
Percentage of population of working age (aged 15-64) | **53**
Age-dependency ratio | **88.5**

STATUS OF WOMEN

Labor force participation rate (percent) | **7.2**
Number enrolled in secondary education as percentage of age group | **7**
Percent of women aged 15-49 using contraceptives | **11**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **30/70**
Population of major metropolitan areas
    city name | **Karachi 5,103,000**
    city name | **Lahore 2,922,000**
Average annual growth in cities of 20,000 or more (percent) | **4.3**
Average annual growth in rural areas (percent) | **2.6**
Rate of total population growth (percent) | **2.76**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$380**

Saudi Arabia

THE DEPENDENTS

Cuts in the price and production of oil since 1982 have signaled change in Saudi Arabia. Oil money, which is mostly controlled by the government, is no longer flowing like it used to. Jobs are less abundant and government subsidies are being cut.

Those used to life on the dole with secure incomes and cheap foreign labor face a changing future. The government looks to diversify the economy and cut its dependence on oil. About 20 percent of Saudi GDP comes from the private sector. It is likely, however, that half of it is dependent on demand stemming from oil revenue.

For the most part, while increasingly richer, Saudis have continued to live at home with the reserve religion and tradition expects of them. Some point to the excesses of bored youth prone to drink and drugs, but outward signs of these behaviors are nonexistent. Saudi society is still very much an Islamic one.

POPULATION COUNT UNRELIABLE

Knowing exactly how many Saudis there are is not easy. Results of the last official census in 1974 are generally acknowledged to be unreliable. However, the U.S. Census Bureau's Center for International Research estimates that there were 14.2 million Saudis in 1986. Saudi women commonly bear 6 or 7 children in their lifetimes. Rapidly dropping infant mortality rates--from 174 per 1,000 in the early 1960s to 86 per 1,000 in the 1980s--combined with sustained high fertility will lead to rapid population growth. By the year 2000, the population is expected to reach 18.8 million; by 2020, 24.7 million.

Saudi Arabia has a youthful population, and it will remain so well into the 21st century. In 1986, just under 37 percent of Saudis were under age 15. The median age of about 18.5 years will remain young, increasing slightly to 20 years by 2010.

WOMEN UNDER SAUDI ARABIAN ISLAM

In Saudi Arabia, women cannot work alongside men. This effectively cuts their participation rates as well as their access to a range of jobs. Women do not go out except to visit friends and relatives and to shop. Once outside, they are covered from head to toe. Co-education is out of the question.

> ***Most educated Saudi women do not perceive themselves as second-class citizens even though they must wear a veil in public, dine in separate quarters, and are not permitted to drive.***

But, most educated Saudi women do not perceive themselves as second-class citizens even though they must wear a veil in public, dine in separate quarters, and are not permitted to drive. The opening of women's banks, operated by women for women, created controversy. But, these new banks also received large numbers of applications from prospective women employees. In Islam, a women controls her own wealth, even after she is married. The introduction of these special banks permits Saudi women to fully exercise these rights.

YOUNG SAUDIS PREFER GOVERNMENT TO PRIVATE SECTOR JOBS

Two Saudi jokes tell a lot about Saudi

*See the May 1983 issue of **International Demographics** for in-depth consumer information about Saudi Arabia. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

attitudes towards work. One joke goes: "Have you heard that the Saudis have declared war on the Israelis? The Koreans have got the contract." The other goes: "There are too many chiefs, so they have to import Indians."

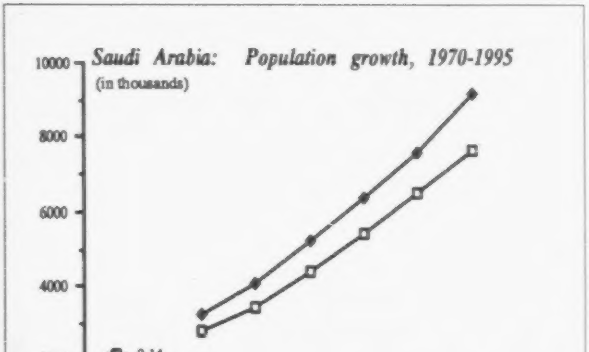
Foreign observers and government officials alike are increasingly discussing the reluctance of young Saudis to take up the jobs as clerks, technicians, and laborers that migrant workers have been imported to do. Youth in the newly- trained and well-educated Saudi workforce for the most part prefer government jobs rather than those in the private sector. And for those that do, the private sector often prefers outsiders with more experience.

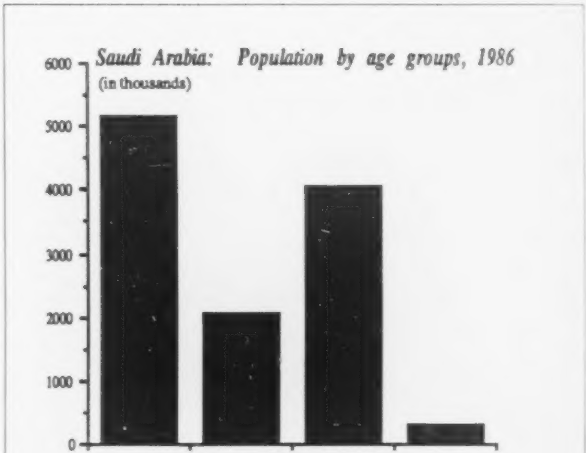
Attitudes on both sides of the fence add up to problems for a government attempting to send imported labor home in expectation that local labor will take its place.

VOCATIONAL TRAINING STRESSED TO ALLEVIATE DEPENDENCE ON FOREIGN LABOR

The Saudi government is making concerted efforts to equip the Kingdom with trained indigenous manpower to run the huge industrial complexes under construction and manage the associated commercial ventures which could transform Saudi Arabia into a world power. The Saudi government is placing a high priority on vocational schooling and planning to restrict the growth of universities as a means of boosting vocational expertise. It also offers a monthly stipend of $300 for students attending a university, plus an 80 percent food allowance and a 75 percent book allowance. For university students coming from outside urban centers, free accommodations are also provided.

So far, Saudi efforts have been fruitful. Primary or basic education enrolled 325,000 boys and 537,000 girls between the ages of 5 and 9 in 1980. At the intermediary level in 1980, 165,000 boys and 80,000 girls were in school. General, secondary education is a ten-year program culminating with a high-school diploma. In 1980, there were 65,000 men and 29,000 women enrolled. Two-to-four-year vocational institutes have 9,700 students attending special instruction in regular programs and 9,400 students in evening programs learning to be air conditioning and car mechanics, carpenters, electricians, welders, metal workers, printers, book-binders, and radio and television mechanics.





take a quick look at Saudi Arabia

POPULATION

Total population (estimated 1986) | **14,184,837**
Rate of population growth (percent) | **5.04**
Lifetime births per woman (total fertility rate) | **6.98**
Birthrate (births per 1,000) | **38.86**
Death rate (deaths per 1,000) | **7.62**
Population under 15 (percent) | **36.7**
Population aged 65 plus (percent) | **1.8**
Median age | **18.5**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **45.4**
Number of persons per square kilometer | **5**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **63/62/64**
Infant mortality rate (number per 1,000 live births) | **81.4**
Population per physician/per nursing person | **1,800/730**
Daily calorie supply per capita (calories per person per day) | **3,244**

Education

Percent literate (male/female, total percentage) | **30/2, 16**
Number enrolled in secondary education as percentage of age group (male/female) | **37/24**
Number enrolled in higher education as percentage of population aged 20-24 | **9**

Labor force

Percent of labor force in agriculture/industry/services | **49/14/37**
Percentage of population of working age (aged 15-64) | **61.5**
Age-dependency ratio | **89.5**

STATUS OF WOMEN

Labor force participation rate (percent) | **NA**
Number enrolled in secondary education as percentage of age group | **24**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **72/28**
Population of major metropolitan areas
city name | **Riyadh 666,800**
Average annual growth in cities of 20,000 or more (percent) | **6.1**
Average annual growth in rural areas (percent) | **-0.1**
Rate of total population growth (percent) | **5.0**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$10,530**

THE SEEKERS

Seeker countries are still struggling to improve health and education, slow population growth, and upgrade the status of women. Many are on the right road and have made considerable progress in specific areas. The Seeker countries of India, Indonesia, and Malaysia, for example, in spite of hefty populations and immense difficulties, have achieved substantial progress in agriculture. India now exports grain, and Indonesia is self-sufficient in grain. Seeker countries have already suceeded in lowering their birthrates, although they are still high in comparison to those of Ultimate Consumer or Climber countries. In all Seeker countries, birthrates are expected to fall further.

LOW GNP BUT RELATIVELY AFFLUENT AND SIZEABLE MIDDLE CLASSES

Although GNP per capita for many Seeker countries is low, the sheer numbers of those who are modestly middle class make some Seeker nations good candidates as potential markets. Seeker India's 50 million relatively middle-class citizens, for example, make up a market the size of France's or West Germany's entire population, although with different buying potential.

While purchasing power in many Seeker countries is rising slowly, in others it is falling. Vast differences exist, for example, between such rising Seekers as Malaysia and Indonesia--in which GDP grew at 7.7 percent annually between 1970 and 1982--and such stagnating Seekers as Egypt and Tunisia. Even rising stars Malaysia and Indonesia have experienced recent setbacks with GDP growth projected to be flat for Indonesia and 1.8 percent in 1987 for Malaysia.

INDIA FORGES AHEAD

India is a consistent Seeker favorite, however, with GDP growing at about 4 percent annually in 1985 and 1986, with equal growth projected for 1987. Many analysts point to India's fast-growing industrial sector as an indicator of India's commitment to take its place in the global marketplace and its potential for doing so. Analysts see India's GNP topping $500 billion by the turn of the century.

Another good sign is the broad base of support Gandhi's economic policies enjoy. Even the half of Indian states under opposition rule support pro-business, multi-national policies.

GRADUAL AGING AFTER THE YEAR 2000

The populations of Seeker countries are young and are slated to remain that way up to the turn of the century. After the year 2000, these countries are expected to begin aging gradually.

In most Seeker countries both fertility and mortality rates began to decline in the 1950s and 1960s. Yet, women of these countries still commonly bear five or six children in their lifetimes. Concerted efforts to lessen population growth, however, have been stepped up, and fertility rates are expected to fall significantly by the year 2000. The proportions of youth in these countries, therefore, will decrease gradually from about 40 percent of the total current population to around 23 to 25 percent in the year 2020. Ultimate Consumer Singapore, in contrast, is projected to have about 16 percent of its population under age 15 by 2020.

Concurrently, the proportion of those aged 60 and over will remain low to the year 2000 and then increase slowly. By the year 2020, about 13 to 16 percent of Seeker country populations will be over 60. Ultimate Consumer Japan, in comparison, is expected to have 26.5 percent of its population over 60 by 2020.

RAPID URBANIZATION CAUSES CONCERN

The urban populations of Seeker nations in general are growing substantially faster than the total population, with urbanization continuing at a rapid and often accelerating pace. Growth-related problems of such rapid population growth are of major concern to Seeker nations. Yet the relationship between urban growth and overall development differs between many Seeker nations. Jakarta's growth, for example, is seen in a positive light as it releases population pressures on valuable farmland, while Calcutta's and Bombay's surging growth has no such redeeming quality.

To lessen the enormous demographic pressures on urban systems, many Seeker nations are attempting to increase agricultural production and encourage people to remain in rural areas. Some even have made efforts to redistribute the urban populations of their one or two major cities to other urban or rural areas.

Egypt

THE SEEKERS

Egypt is in dire straits. Median income for the employed averages $285 a year. And falling oil prices are sending Egyptian migrant workers back home from the lucrative job markets of the Persian Gulf and Saudi Arabia.The economy is in deep trouble with a foreign debt amounting to $35 billion, of which they can neither repay the principal nor the interest. And the austerity policy recommended by the International Monetary Fund and the World Bank in order to win approval for a postponement of payments has Egyptian leaders in a quandary. Fear of unleashing the forces of the increasingly powerful Islamic fundamentalists has leaders reluctant to raise the price of now heavily subsidized food. Leaders remember all too well the 1977 food riots which took army intervention to control.

RAPID POPULATION GROWTH PRESSURES JOB MARKET AND HOUSING

Egypt's 1986 population of 50.5 million is expected to climb to 71.2 million in the year 2000 and 102.9 million by 2020. The number of lifetime births per Egyptian woman is still high--5.5 in 1986--although down from 6 births per woman in 1977. This trend is expected to continue with average lifetime births per woman dropping to 3.9 in the year 2000 and 2.5--just above replacement level--in 2020. The population growth rate of 2.7 percent in 1986 is expected to fall to 2.2 by the year 2000.These projections, however, do not take into consideration the rising power of Islamic Fundamentalism in Egypt and its effect on reproductive behavior.

Egypt belongs to the group of less developed countries in which fertility remains high up to the year 2000 and mortality continues to decline gradually, in contrast to those in which fertility and mortality both decline after 1950. The proportion of the population aged 65 and over remains very low during the whole period--in Egypt's case hovering around 4.5 percent of the total population. Concurrently, the proportion of the young aged under 15 remains high--in Egypt's case about 40 percent of the total population--and then starts to shrink around the year 2000. Egyptians aged 15 and under are projected to decrease from 40.2 percent of the population in 1990 to about 36 percent of the total population in the year 2000.

> ***In general, Egypt's labor force of 15 million is large and relatively skilled compared with those of other countries in the region.***

MIGRANT WORKERS' REMITTANCES BIGGEST SOURCE OF FOREIGN EXCHANGE

Egypt's migrant workers' remittances are bigger than total merchandise exports. Egypt gleans a reported $4 billion a year from its far-from-home labor force. The rest is smuggled into the country through black market channels.

About 3 million Egyptians migrate to other countries for work. They represent one-sixth of Egypt's total work force. With average

*See the August 1983 issue of **International Demographics** for in-depth consumer information about Egypt. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

work-abroad salaries of $2,000 a year, they triple the earnings of an average Egyptian. Falling oil prices are sending many migrant workers home, however, as Middle East economies contract. The Egyptian government estimates that about 600,000 migrants should come home in 1986.

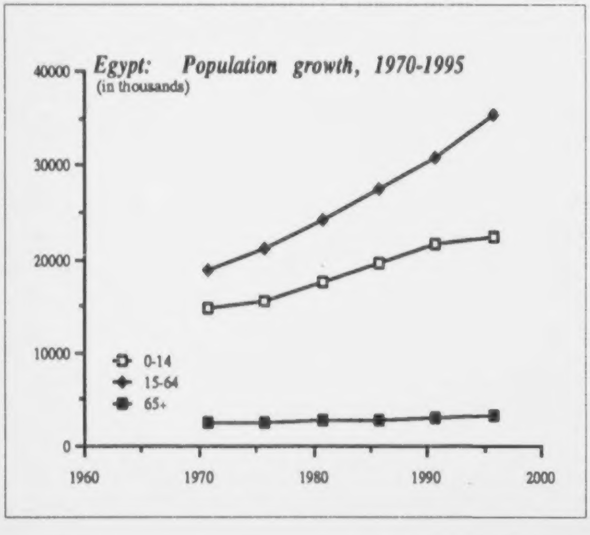
Some experts see this trend as a positive step for Egypt's economy. Keeping skilled labor at home in the face of lucrative offers from abroad pushed up local wages, making domestic industries less competitive. In general, Egypt's labor force of 15 million is large and relatively skilled compared with those of other countries in the region. About 12 million Egyptian men were at work in 1981, or 60 percent of all men. About 48 percent of the labor force works in agriculture, about 18 percent in industry and commerce, and 32 percent in services.

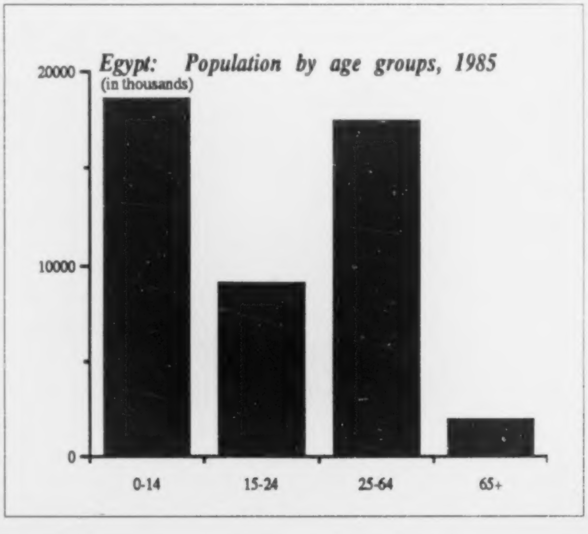
THE STATUS OF WOMEN

Egyptian women lag way behind their counterparts in Europe and the United States in employment, educational attainment, and family planning. Only five percent of Egyptian women were in the labor force in 1981, up from 3.2 percent in 1976, as compared to about 50 percent of women in the U.S. However, although the labor force participation rate for women is very low, those Egyptian women who do work are making some gains in wages. In 1960, women workers in the manufacturing industry made only 51.6 percent of what men made. By 1980, this proportion increased to 63.1 percent.

Educational attainment lags behind that of Egyptian men. Girls made up about 40 percent of primary school students in 1980, but only 37 percent of preparatory students and 36 percent of secondary school students. This proportion drops to 30 percent for students enrolled in higher education.

Women still have large families, averaging 5.5 lifetime births. In 1980, only 25 percent of currently married women aged 15 to 44 were using any method of contraception.





take a quick look at Egypt

POPULATION

Total population (estimated 1986) | **50,524,795**
Rate of population growth (percent) | **2.77**
Lifetime births per woman (total fertility rate) | **5.48**
Birthrate (births per 1,000) | **39.12**
Death rate (deaths per 1,000) | **11.10**
Population under 15 (percent) | **42.3**
Population aged 65 plus (percent) | **3.25**
Median age | **20.2**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **45.9**
Number of persons per square kilometer | **47**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **58/58/59**
Infant mortality rate (number per 1,000 live births) | **102.3**
Population per physician/per nursing person | **800/790**
Daily calorie supply per capita (calories per person per day) | **3,163**

Education

Percent literate (male/female, total percentage) | **54/22, 38**
Number enrolled in secondary education as percentage of age group (male/female) | **64/39**
Number enrolled in higher education as percentage of population aged 20-24 | **16**

Labor force

Percent of labor force in agriculture/industry/services | **46/20/34**
Percentage of population of working age (aged 15-64) | **57**
Age-dependency ratio | **77.9**

STATUS OF WOMEN

Labor force participation rate (percent) | **5.8**
Number enrolled in secondary education as percentage of age group | **39**
Percent of women aged 15-49 using contraceptives | **30**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **46/54**

Population of major metropolitan areas

city name | **Cairo 5,600,000**

city name | **Dakahlia 3,100,000**

Average annual growth in cities of 20,000 or more (percent) | **3.3**

Average annual growth in rural areas (percent) | **1.9**

Rate of total population growth (percent) | **2.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$720**

India

THE SEEKERS

Part of India still lives in the age of the bullock cart, but according to many experts India is the development success of the 1970s. What's more, they are enthusiastic about its future. Self-sufficient in grain and 70 percent self-sufficient in oil, India sidesteps many of the problems plaguing other developing countries. Other positive indicators are India's talented business class and solid work force and a growth rate averaging about 5.6 percent a year.

No doubt, however, India is still poor with a per capita GNP of only $ 260 in 1984. But rich poor may be a better way to describe it. With nearly 55 million middle-class consumers, India's potential market rivals that of West Germany and France. On the other end of the economic seesaw are 30 to 50 million people who live in slums without basic facilities.

Whether India will continue on its upward path depends largely on how well it can deal with unrelenting demographic pressures of enormous magnitude. Every year India adds another 16 million persons to its population. In 10 years, it added more people than currently live in Brazil. India is growing at about 2.1 percent a year. At this rate, India's 1986 population of 784 million will grow to 966 million by the year 2000 and 1.2 billion by 2020 when many experts predict that it will leapfrog over China and become the world's most populous nation.

MEGACITIES IN TROUBLE

India is still basically an agrarian country with only 25.5 percent of its 1985 population living in urban areas. Urban areas, however, grew at a much faster rate than rural areas between 1980 and 1985--3.7 percent annually and 1.4 percent annually, respectively. This compares to a 1.9 percent annual growth rate of the population during the same period.

> ***With nearly 55 million middle-class consumers, India's potential market rivals that of West Germany and France.***

This trend is expected to continue as people born in India's high fertility period of 1961 to 1981 enter the job market and increasingly migrate to the cities to find work. These large groups of youth will put considerable strain on urban job markets and housing. Experts see India's entry into the 21st century plagued by migration to urban areas, a problem new to India. Previous urban growth has occurred through natural increase of city populations.

By the year 2000, India is expected to have 20 cities of more than 1 million people and 4 megacities exceeding 10 million people. Between 350 and 400 million people will live in urban areas. Experts see cities like Bombay and Calcutta in dire trouble, with projected slum-dweller populations accounting for 75 percent of their total populations.

*See the October 1983 issue of **International Demographics** for in-depth consumer information about India. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

FIVE MILLION INDIANS ENTER THE LABOR FORCE ANNUALLY

Finding jobs for the disproportionately large numbers of youth born before 1981 when India began to reduce its fertility rate will be an ongoing problem. At present, about 5 million people enter the workforce annually. By the year 2000, this figure will escalate to 7.5 million annually. Providing jobs for these would-be workers is an enormous task. Already 23 million Indians are registered as unemployed. Others are underemployed or employed in the informal sector. About 48 percent of India's population lives below poverty level due to poor employment opportunities.

This is a problem that won't go away. India will be a young country well into the 21st century. At present nearly 38 percent of the population is estimated to be under age 15. Although this proportion is projected to drop to 32 percent by 2000, this share of youth is still considerable.

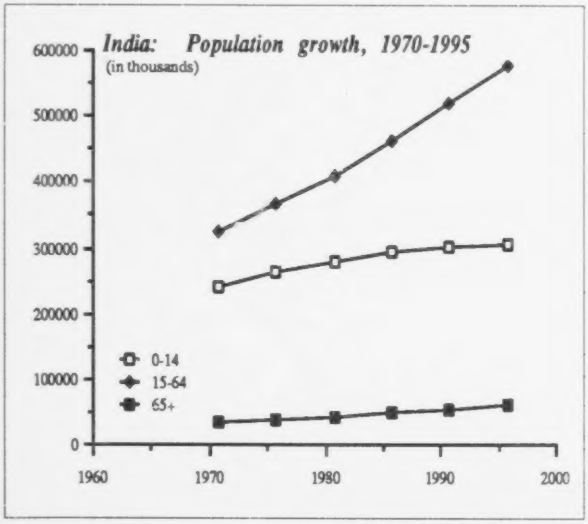
LITERACY AMONG WOMEN HELPS REDUCE THE BIRTHRATE

The survival of infants and increased literacy among women help achieve family planning and a decline in India's birthrate. Kerala State had the highest percentage of literate women in 1981--73 percent. It also had the lowest birthrate--25 per 1,000 as compared to India's overall 33.6 per 1,000. Infant mortality was 37 per 1,000 compared to India's average of 100 per 1,000.

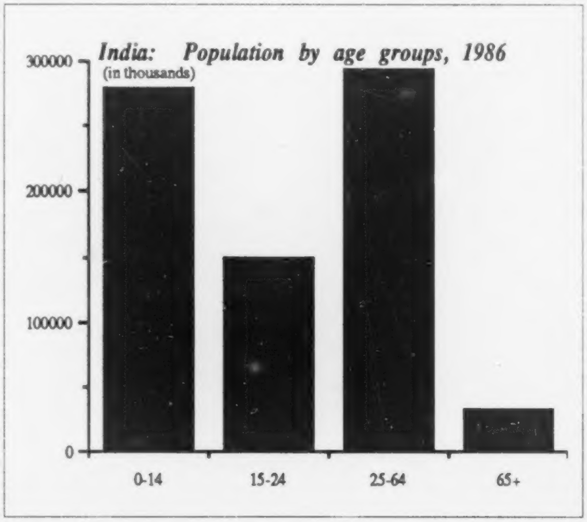
TAXES AND RELIGION INFLUENCE BUYING HABITS

For those with disposable income, popular consumer items include footwear, pharmaceuticals, books, and food. The demand for such luxury items as cars, cameras, air conditioners, and refrigerators has increased.

Taxes, however, strongly influence buying patterns. Consumer items are heavily taxed. Religion also plays an important part in consumer behavior, influencing all parts of Indian life from the choice of food and dress to business and recreational activities.



India: Population growth, 1970-1995
(in thousands)



India: Population by age groups, 1986
(in thousands)

take a quick look at India

POPULATION

Total population (estimated 1986) | **783,939,780**
Rate of population growth (percent) | **2.08**
Lifetime births per woman (total fertility rate) | **4.16**
Birthrate (births per 1,000) | **32.28**
Death rate (deaths per 1,000) | **11.46**
Population under 15 (percent) | **37.6**
Population aged 65 plus (percent) | **3.3**
Median age | **21**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **50.0**
Number of persons per square kilometer | **232**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **55/57**
Infant mortality rate (number per 1,000 live births) | **98.6**
Population per physician/per nursing person | **2,610/4,670**
Daily calorie supply per capita (calories per person per day) | **2,115**

Education

Percent literate (male/female, total percentage) | **47/25**
Number enrolled in secondary education as percentage of age group (male/female) | **39/20**
Number enrolled in higher education as percentage of population aged 20-24 | **9**

Labor force

Percent of labor force in agriculture/industry/services | **70/13/17**
Percentage of population of working age (aged 15-64) | **56**
Age-dependency ratio | **69**

STATUS OF WOMEN

Labor force participation rate (percent) | **33**
Number enrolled in secondary education as percentage of age group | **20**
Percent of women aged 15-49 using contraceptives | **35**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **26/74**

Population of major metropolitan areas

city name | **Calcutta 9,166,000**

city name | **Bombay 8,227,000**

Average annual growth in cities of 20,000 or more (percent) | **3.7**

Average annual growth in rural areas (percent) | **1.4**

Rate of total population growth (percent) | **2.0**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$260**

Indonesia

THE SEEKERS

Plunging oil prices in 1986 for oil-dependent Indonesia mean a shrinking GDP is likely in 1987--the first contraction of GDP in 20 years. Experts anticipate as much as a 3 percent fall in GDP and as little as no change at all. Real GDP grew at 1.9 percent in 1985. If predictions are accurate, Indonesia's GDP will not keep up with its 1986 population growth rate of 2.07 percent, but register a -1.1 growth rate in 1986. And, unless oil prices bounce back, 1987 doesn't look any better.

Urban and industrial areas were the first to suffer from the oil-price fall, with factory layoff increases. The countryside fared much better, with farmers richer for the big rice crops of recent years. Buying power is still strong in the countryside with companies maintaining current prices to keep demand high. Many companies swallowed the 1985 10 percent value-added sales tax rather than pass costs on to consumers. However, the September 1986 rupiah devaluation against the dollar of about 30 percent is soon to drive up the cost of imports. Indonesian manufacturers dependent on imported materials will most likely have to pass their costs on to the consumer.

RAPID URBANIZATION IN A MAINLY AGRARIAN COUNTRY

As in many Seeker countries, Indonesia's population growth rate increased over the last 20 years, due to reductions in mortality outpacing fertility declines during the 1950s and 1960s. During the 1970s, Indonesia's population grew at an average annual rate of 2.3 percent, up from 1.5 percent annually during 1930s through the 1960s. Indonesia's population increased from 120 million in 1970 to its current estimated population of 176.7 million in 1986. Indonesia is now the world's fifth most populous country.

This growth, coupled with economic recovery that began in the late 1960s, led to rapid urban growth. During the 1970s, Indonesia's urban population grew at nearly 5 percent a year. Indonesia's urban growth rate exceeds that of such other Seeker countries as India, Malaysia, and Egypt.

> ***Indonesia now has 5 cities of more than 1 million inhabitants and has avoided the hyper-urbanization trap of such Climber countries as Mexico and Thailand in which one city is home to a quarter or a third of a country's population.***

The urban share of Indonesia's population, however, is still relatively low. Indonesia's 1950 urban population only accounted for 12.4 per cent of the total population. It now accounts for about 25 percent of the total population.

This trend continues today with urban areas growing by 4.4 percent annually between 1980 and 1985 and rural areas increasing by only 0.9 percent annually over the same period. This compares to a population growth rate of 2.07 for the entire country. By the year 2000, Indonesia's cities are projected to grow by almost 40 million people.

*See the January 1983 issue of **International Demographics** for in-depth consumer information about Indonesia. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

Indonesia now has 5 cities of more than 1 million inhabitants and has avoided the hyper-urbanization trap of such Climber countries as Mexico and Thailand in which one city is home to a quarter or a third of a country's population. Jakarta accounts for 19 percent of Indonesia's population.

Urban dwellers generally fare better than those in the country. In 1980, only 19 percent of urban residents were considered living in poverty, as compared to about 44 percent of rural residents. Of those 15 to 19 years old in 1980, 53 percent were enrolled in secondary education, while only 25 percent of those of the same age living in rural areas were enrolled.

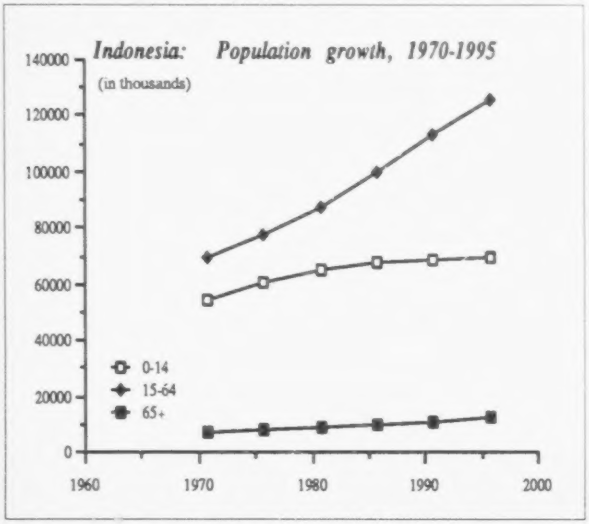
THREE OUT OF FOUR INDONESIANS UNDER AGE 34

With life expectancy at only 56 years for men and 59 years for women, it comes as no surprise that the Indonesian population is young. About 40 percent of the population is under age 15. Another 34 percent are aged 15 to 34. Only 2.6 percent of the population is aged 65 or over.

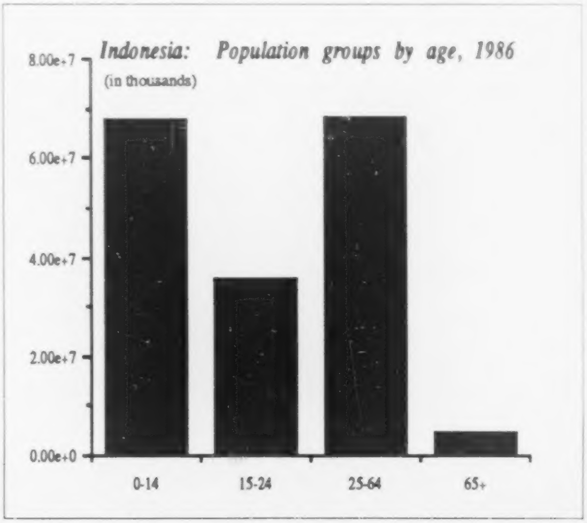
LOW PER CAPITA GNP, LOW OWNERSHIP OF CONSUMER DURABLES

Indonesia's per capita GNP in 1986 only amounted to $540. Great disparities exist between the the poor and the rich, with the lowest 20 percent of households in 1976 only accounting for 6.6 percent of total household income and the highest 20 percent accounting for 49 percent of household income.

Only 10 percent of all households owned a TV in 1980, but 32 percent of urban households owned sets. One-half of all TVs were found in urban areas. Ownership of radios and cassette recorders was more widespread--forty percent of all households owned them. Over 10 million bicycles were in use in 1980, owned about equally by 30 percent of all urban and rural households. There were 2.3 million motorcyles in 1980, but only 577,000 registered passenger cars.



Indonesia: Population growth, 1970-1995



Indonesia: Population groups by age, 1986

take a quick look at Indonesia

POPULATION

Total population (estimated 1986) | **176,764,263**
Rate of population growth (percent) | **02.07**
Lifetime births per woman (total fertility rate) | **3.70**
Birthrate (births per 1,000) | **30.58**
Death rate (deaths per 1,000) | **9.87**
Population under 15 (percent) | **38.5**
Population aged 65 plus (percent) | **2.6**
Median age | **20.3**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **50.2**
Number of persons per square kilometer | **87**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **56/59**
Infant mortality rate (number per 1,000 live births) | **86.4**
Population per physician/per nursing person | **11,320/NA**
Daily calorie supply per capita (calories per person per day) | **2,380**

Education

Percent literate (male/female, total percentage) | **70/45, 57**
Number enrolled in secondary education as percentage of age group (male/female) | **36/24**
Number enrolled in higher education as percentage of population aged 20-24 | **4**

Labor force

Percent of labor force in agriculture/industry/services | **57/13/30**
Percentage of population of working age (aged 15-64) | **56**
Age-dependency ratio | **72.1**

STATUS OF WOMEN

Labor force participation rate (percent) | **30**
Number enrolled in secondary education as percentage of age group | **24**
Percent of women aged 15-49 using contraceptives | **50**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **25/75**

Population of major metropolitan areas

city name | **Jakarta 6,500,000**

city name | **Surabaya 2,000,000**

Average annual growth in cities of 20,000 or more (percent) | **4.4**

Average annual growth in rural areas (percent) | **0.9**

Rate of total population growth (percent) | **2.07**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$540**

Malaysia

THE SEEKERS

Demographically speaking, Malaysian markets offer great potential. The population grew at 2.4 percent annually between 1973 and 1984, indicating an expanding market of potential consumers. Malaysia's urban population grew during the same period at 3.6 percent a year. As a result, the percentage of the population living in urban areas increased from 26 percent in 1965 to 31 percent in 1984. Per capita GNP was $2,037 in 1984. In Southeast Asia, only Singapore and oil-rich Brunei had higher GNP per capita levels. Such indicators of a rising status of women as increased educational attainment and labor force participation are positive. Forty-three percent of Malaysian women of the appropriate age were enrolled in higher education in 1981. In 1985, 44.7 percent of women over 15 were working or looking for work.

And its economic performance between 1976 and 1986 was nothing short of phenomenal, driven by its concerted effort to diversify and strengthen its private sector economy. Average annual growth of GDP was 6.2 percent during this period. Private consumption increased by 6.9 percent annually between 1973 and 1984. Exports were up by 7.5 percent over the same period and imports rose 8.9 percent annually. (The U.S. supplies about 15 percent of Malaysian imports and buys about 14 percent of Malaysian exports.) Analysts see Malaysia as a prime area for investment.

ECONOMIC SUCCESS KEEPS UP WITH SUSTAINED RAPID GROWTH

Rapidly falling death rates after World War II combined with the high fertility rates of the 1950s and 1960s led to rapid population increase. The 1950 population of about 6.3 million more than doubled to its current level of 15.5 million in only 35 years. Fertility fell steadily from a high of 6 or 7 lifetime births per woman in the 1950s and 1960s to 3.2 lifetime births per woman in 1986. Declining fertility rates of the 1970s and 1980s have slowed population growth from a high of 3 percent annually between 1960 and 1965 to 2.3 percent annually between 1980 and 1985.

> ***Malaysia's population is young and will remain so well into the 21st century due to the disproportionately large numbers of youth (born during the high-fertility 1950s and 1960s) entering their child-bearing ages.***

This trend is expected to continue with the growth rate down to about 1.5 percent by the year 2000. Lifetime births per woman are also expected to fall from its current 3.2 children per woman to the just-above-replacement-level figure of 2.4 lifetime births.

The Malaysian population, however, will continue to experience rapid growth due to above-replacement-level fertility rates and the large number of women born during the

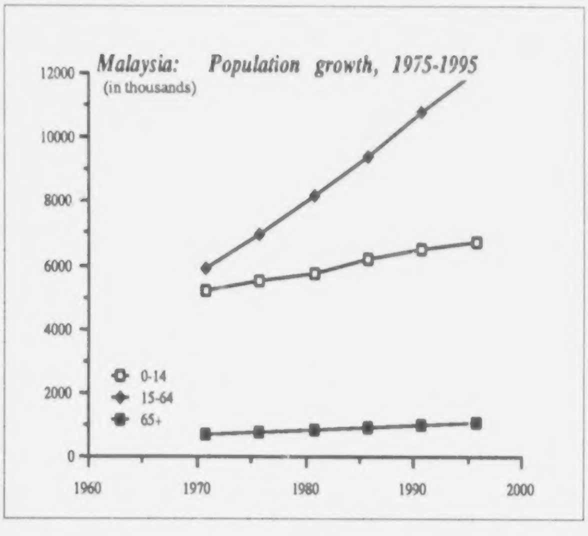
*See the Jauary 1985 issue of **International Demographics** for in-depth consumer information about Malaysia. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

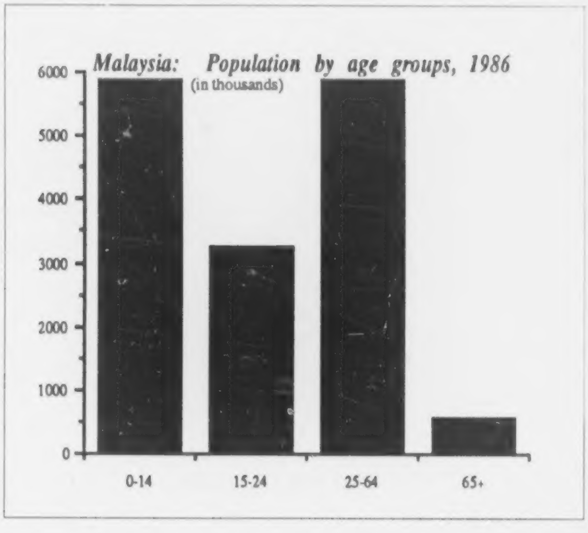
high-fertility 1950s and 1960s entering their childbearing ages. The proportion of women aged 15 to 29 grew from 26 percent of all women in 1970 to 30 percent in 1980. This trend in increased proportions of women entering childbearing ages will continue for at least the next 15 years. Malaysia's 1985 population of 15.5 million is projected to grow to 20.6 million by the year 2000 and 26 million by the year 2020.

ONE OUT OF EVERY TWO MALAYSIANS ARE UNDER 21

Malaysia's population is young and will remain so well into the 21st century due to the disproportionately large numbers of youth (born during the high-fertility 1950s and 1960s) entering their childbearing ages. Those aged 15 to 24 now account for about 22 percent of the population--3.3 million people. This group will grow to 3.9 million by the year 2000 and 4.3 million by 2010.

The proportion of the population in their prime spending years (aged 15 to 64)-- now 59.5 percent of the total population--is expected to increase dramatically, accounting for 65 percent of the total population in the year 2000 and almost 70 percent by 2020. At present, more than half of all Malaysians are under age 21. About 37 percent are under age 15.





take a quick look at Malaysia

POPULATION

Total population (estimated 1986)	**15,738,388**
Rate of population growth (percent)	**2.09**
Lifetime births per woman (total fertility rate)	**3.18**
Birthrate (births per 1,000)	**27.66**
Death rate (deaths per 1,000)	**6.69**
Population under 15 (percent)	**36.5**
Population aged 65 plus (percent)	**3.8**
Median age	**20.7**
Number of women in fertile age group (aged 15-49 as a percent of all women)	**52.1**
Number of persons per square kilometer	**47**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female)	**66/64/69**
Infant mortality rate (number per 1,000 live births)	**34.8**
Population per physician/per nursing person	**3,920/1,390**
Daily calorie supply per capita (calories per person per day)	**2,477**

Education

Percent literate (male/female, total percentage)	**NA**
Number enrolled in secondary education as percentage of age group (male/female)	**56/53**
Number enrolled in higher education as percentage of population aged 20-24	**4**

Labor force

Percent of labor force in agriculture/industry/services	**42/19/39**
Percentage of population of working age (aged 15-64)	**60**
Age-dependency ratio	**71.1**

STATUS OF WOMEN

Labor force participation rate (percent)	**44.7**
Number enrolled in secondary education as percentage of age group	**53**
Percent of women aged 15-49 using contraceptives	**42**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **65/35**

Population of major metropolitan areas

city name | **Kuala Lumpur 937,875**

city name | **George Town 269,247**

Average annual growth in cities of 20,000 or more (percent) | **4.6**

Average annual growth in rural areas (percent) | **1.2**

Rate of total population growth (percent) | **2.1**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$2,037**

South Africa

THE SEEKERS

Under normal circumstances, South Africa would look like a potential market for many goods and services required by a growing middle class. Yet, regardless of how you feel about South Africa's social and political policies, 1987 is not a good year to consider it as a potential market or place of investment. White South Africans who control the majority of the country's personal wealth are in a difficult position. Some portion of their assets are usually tied up in real estate. Given the situation in South Africa, those assets are not liquid nor can they be made liquid. Residents of other countries with stable middle classes have taken care of their basic needs and they seek experiences that will fulfill their lives. South Africans have all the "experiences" they can handle at the moment.

REDISTRIBUTING THE INCOME

Reports are that since 1980 there has been substantial redistribution of disposable income in South Africa. The black, colored, and Asian share of total disposable income rose by 12. 2 percent to 44.5 percent between 1972 and 1985, according to a Bureau of Market Research survey reported in African Business. Even if this shift in disposable income is true, non-whites make up 85 percent of the population in South Africa. The report says that between 1981 and 1985, white incomes fell by 0.3 percent a year while the incomes of blacks and coloreds rose by 1.8 percent and those of Asians by 3.1 percent.

WHAT COULD CHANGE

South Africa's annual population growth rate is now high because of the high birthrates of blacks and coloreds. The average white South African woman has two children; an Indian or colored woman has three; an urban black woman has four; and a black woman in the traditional states has between five and seven--a similar total fertility rate to the large African nations such as Kenya or Nigeria.

> ***If reforms allow blacks to become equal participants in the economic life of the nation, South Africawould probably move for a time into the Climber ranks as the needs for housing and increased infrastructure are filled.***

Demographers at the Institute for Sociological and Demographic Research say that the low level of urbanization among blacks--in other words, the South African policy of separatism that relegates blacks to the "homelands" rather than allowing them to find opportunities in the cities, contributes to the continued high level of population growth. They believe that if blacks were allowed to freely move to the cities, they would have access to the "technological revolution that has changed the lives of millions of people across the world."

The researchers indicate, "With regard to Blacks, their relatively youthful population

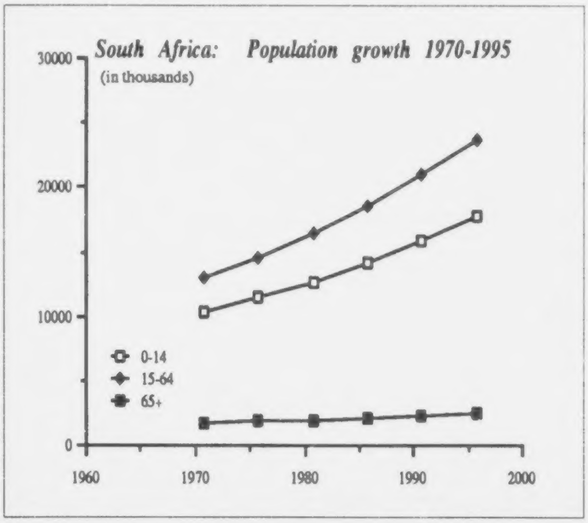
See the June 1984 issue of ***International Demographics*** *for in-depth consumer information about South Africa. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

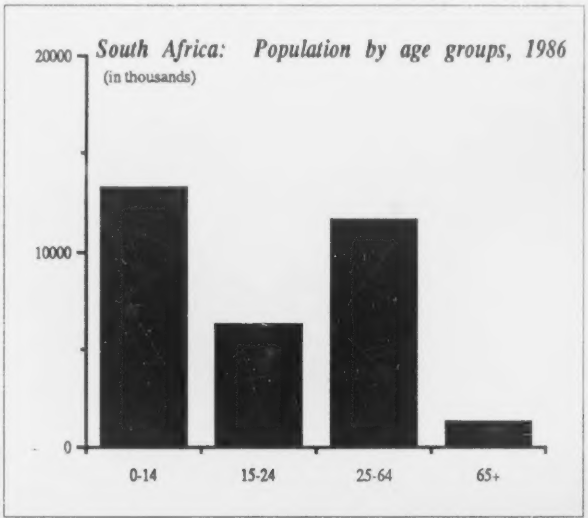
structure and present high fertility indicate a capacity for continued very fast population growth. A sharp decline in the population growth rate could, however, be brought about by rapidly replacing the large traditional way of life of Blacks in the national states with a more modern industry-oriented urban lifestyle."

Not surprisingly, the conclusion drawn from an analysis of the demographic trends in South Africa is that unless non-whites are fully integrated into society, there will be no way to begin to eliminate the current socioeconomic discrepancies that are responsible for much of the turmoil in which the country finds itself.

If reforms allow blacks to become equal participants in the economic life of the nation, it would probably move for a time into the Climber ranks as the needs for housing and increased infrastructure are filled. However, there are educated blacks in South Africa who have the capability of building the country in such a way that its mineral wealth and prime agricultural land benefit all people, rather than the white minority. In that case, the country could make gigantic strides in ways that some other African countries have found difficult. The demographers indicate that if blacks are integrated into the economic mainstream, by the turn of the century, population growth among blacks would begin to slow.

South Africa does not appear to be a good potential market for most consumer goods until blacks and other non-whites have access to economic opportunity in the country.





take a quick look at South Africa

POPULATION

Total population (estimated 1986) | **33,544,450**
Rate of population growth (percent) | **2.27**
Lifetime births per woman (total fertility rate) | **4.24**
Birthrate (births per 1,000) | **32.46**
Death rate (deaths per 1,000) | **9.73**
Population under 15 (percent) | **38.5**
Population aged 65 plus (percent) | **4.2**
Median age | **19.3**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **48.8**
Number of persons per square kilometer | **27**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **57/64**
Infant mortality rate (number per 1,000 live births) | **68.1**
Population per physician/per nursing person | **2,050/500**
Daily calorie supply per capita (calories per person per day) | **2,897**

Education

Percent literate (male/female, total percentage) | **57/57, 57**
Number enrolled in secondary education as percentage of age group (male/female) | **NA**
Number enrolled in higher education as percentage of population aged 20-24 | **4**

Labor force

Percent of labor force in agriculture/industry/services | **17/35/49**
Percentage of population of working age (aged 15-64) | **56**
Age-dependency ratio | **82.0**

STATUS OF WOMEN

Labor force participation rate (percent) | **30**
Number enrolled in secondary education as percentage of age group | **NA**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **56/44**
Population of major metropolitan areas
city name | **Pretoria 561,000**
Average annual growth in cities of 20,000 or more (percent) | **3.5**
Average annual growth in rural areas (percent) | **1.3**
Rate of total population growth (percent) | **2.48**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$2,340**

Sri Lanka

THE SEEKERS

Sri Lanka's new open economy has raised hopes for future prosperity. After the United National Party elected in 1977 began shifting the economy to a free-market system, real GNP growth rose an average of 6 percent a year during the period 1978 to 1982, in contrast to 3 percent annual growth recorded during the period 1970 to 1977. Sri Lanka is still poor, however. In 1984, The World Bank estimated Sri Lankan per capita GNP at $360.

Notwithstanding the disruption caused by the Tamil guerrillas' demand for a homeland embracing Sri Lanka's Northern and Eastern Provinces, experts see Sri Lanka as a good bet for foreign investment. Sri Lanka's commitment to economic development is clear. Foreign investment is encouraged through a free-trade zone and tax holidays modeled after Singapore's trade policies. Price controls and import barriers have been lifted and greater incentives have been offered to private entrepreneurs.

A YOUNG, FAST-GROWING POPULATION

Sri Lanka's population is growing fast, despite continued falling birthrates. In 1986, Sri Lanka's rate of population growth was 3.41 percent, a quick pace well above the 1.5 to 2.5 percent growth rate considered necessary to be a good shot as a potential market in 1987.

The 1981 census recorded 14.8 million persons, up from 12.7 million in 1971. The population grew by 17 percent during the decade between censuses. The Census Bureau's Center for International Research now estimates a population of 18.3 million. By the year 2000, the Sri Lankan population is projected to reach 27.8 million; by 2025, 46 million--over double its current population.

The number of children women commonly bear in their lifetimes, however, is dropping and is expected to continue doing so. In 1981, Sri Lankan women commonly bore 6.5 children in their lifetimes. By 1986, this figure had dropped to 5.8 children; by 2005, it is expected to drop further to 3.4 children per woman. However, although decreasing, these fertility rates remain high. It will take years for declining fertility rates to have a significant effect on population growth rates.

> ***In 1986, Sri Lanka's rate of population growth was 3.41 percent, a quick pace well above the 1.5 to 2.5 percent growth rate considered necessary to be a good shot as a potential market in 1987.***

Sri Lanka's population is young and will stay so well into the 21st century. At present, 41 percent of the population is under age 15. Median age is a young 22 years.

LARGELY RURAL WITH HIGH POPULATION DENSITY

About 79 percent of Sri Lanka's population lived in rural areas in 1986. Although urban growth outpaces rural growth, Sri Lanka will remain largely rural throughout this century.

*See the February 1984 issue of **International Demographics** for in-depth consumer information about Sri Lanka. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

By the year 2000, about 75 percent of the population will reside in the countryside. This should drop, however, to 61 percent by the year 2020.

Sri Lanka is divided into 24 administrative districts. They range in size from 77,500 persons in the northeastern district of Mullaitivu to almost 1.7 million in the southwestern district of Colombo, location of the capital city of Colombo. In fact, with a population of 1.3 million in 1981, the capital city accounted for three-quarters of the population of the district. Other major cities are Jaffna (271,000), Kandy (147,000), and Galle (168,000).

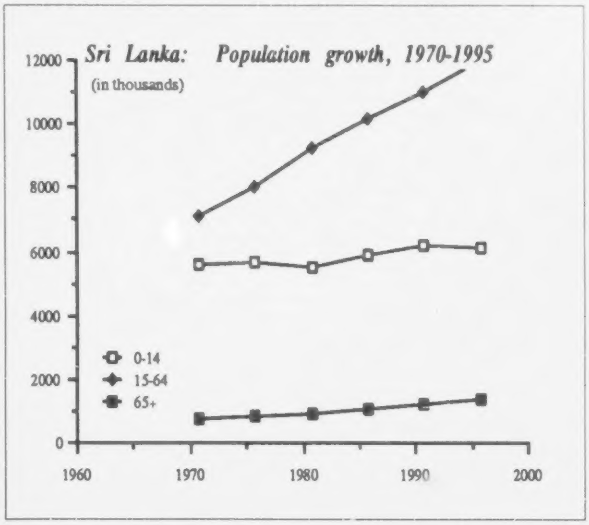
In a country the size of West Virginia (66,000 square kilometers), population density is about 250 persons per square kilometer. Density is highest in the district of Colombo (1,000 to 3,000 persons per square kilometer) and the neighboring coastal districts of Gampaha and Kalutara (500 to 1,000 persons per square kilometer). The central district of Kandy and the southern coastal district of Matara are in this density range as well, while all other districts average fewer than 500 persons per square kilometer.

EXTENDED FAMILIES ARE THE NORM

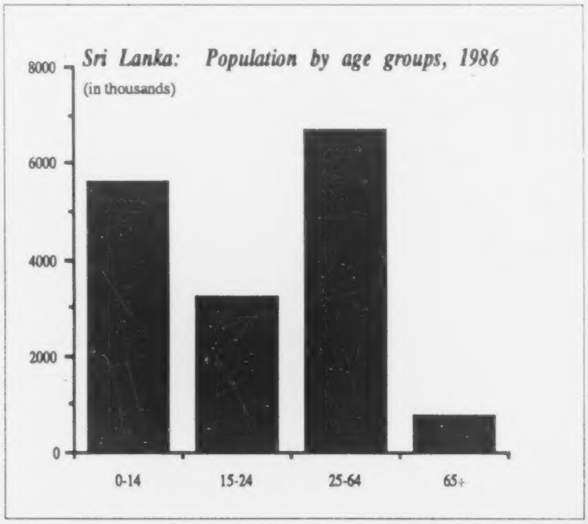
Seventy percent of all households in 1981 were extended beyond the nuclear family with a relative other than spouse or children. Fourteen percent of all households had a non-relative. Urban households were more likely to contain another relative than rural households. For example, among the 504,000 household heads recorded for urban areas, there were 538,000 relatives of heads living in households. In rural areas, only 64 percent of households contained relatives other than spouse or children.

Of Sri Lanka's 2.7 million households in 1981, about 2.2 million households were classified as rural, or 82 percent of the total.

Sri Lankan households are large compared to those of Climber or Ultimate Consumer countries. There were 2.7 million households in Sri Lanka in 1981, with an average size of 5.4 persons per household. About 17 percent of all households were headed by women in 1981, half of whom were widowed.



Sri Lanka: Population growth, 1970-1995



Sri Lanka: Population by age groups, 1986

take a quick look at Sri Lanka

POPULATION

Total population (estimated 1986) | **18,341,494**
Rate of population growth (percent) | **3.41**
Lifetime births per woman (total fertility rate) | **5.87**
Birthrate (births per 1,000) | **44.09**
Death rate (deaths per 1,000) | **6.16**
Population under 15 (percent) | **41.1**
Population aged 65 plus (percent) | **4.2**
Median age | **22.2**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.2**
Number of persons per square kilometer | **250**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **68/72**
Infant mortality rate (number per 1,000 live births) | **29.9**
Population per physician/per nursing person | **7,620/1,260**
Daily calorie supply per capita (calories per person per day) | **2,348**

Education

Percent literate (male/female, total percentage) | **91/81**
Number enrolled in secondary education as percentage of age group (male/female) | **49/54**
Number enrolled in higher education as percentage of population aged 20-24 | **4**

Labor force

Percent of labor force in agriculture/industry/services | **53/14/33**
Percentage of population of working age (aged 15-64) | **60**
Age-dependency ratio | **62.8**

STATUS OF WOMEN

Labor force participation rate (percent) | **35**
Number enrolled in secondary education as percentage of age group | **54**
Percent of women aged 15-49 using contraceptives | **55**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **21/79**

Population of major metropolitan areas

city name | **Colombo 1,300,000**

city name | **Jaffna 271,000**

Average annual growth in cities of 20,000 or more (percent) | **1.6**

Average annual growth in rural areas (percent) | **2.2**

Rate of total population growth (percent) | **3.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$360**

Tunisia

THE SEEKERS

Looking at a map, north and south of the Mediterranean isn't all that far apart. Demographically, it's more like worlds apart. Whereas most of the populations of Ultimate Consumer countries of Europe are either not growing or even declining, the populations of Northern African countries are exploding. Tunisia's population is growing so rapidly that in the last 15 years, it has increased by 45 percent. And with the number of births per woman projected to remain fairly high until the year 2000, and disproportionately large groups of youth born during periods of high fertility entering their childbearing years, Tunisia's population will continue to grow rapidly.

Tunisia's 1986 population of 7.4 million people is projected to increase to 8.1 million in 1990 and to 9.9 million in the year 2000. Women commonly bear 4 or 5 children. Due to the government's family planning program, however, the number of births per woman is expected to decline to about 3.8 births per woman in 1990 and to about 3 births per woman in the year 2000. At these rates, the population will continue to grow although growth will slow after the large population bases built up by periods of past high fertility pass through their reproductive years.

YOUTH ADD TO UNEMPLOYMENT PROBLEM

Unemployment is a problem in Tunisia, partly because of its extremely youthful age structure, in which about 40 percent of the population is under age 15. Those aged 15 to 24 make up an additional 20 percent of the total population. Because of the growing numbers of youth who are of employable age, more than 60,000 new workers enter the labor force each year while only 40,000 new jobs are created annually.

The government officially recorded the growing unemployment rate at about 13 percent in 1983. A more realistic figure for men aged 15 to 59 during this same year was closer to 18 percent. When women and the underemployed are included, one out of four workers is unemployed. To help alleviate this problem, Tunisians are encouraged to go abroad for employment. An estimated 70,000 laborers found work in Europe in 1984.

> ***Unemployment is a problem in Tunisia, partly because of its extremely youthful age structure, in which about 40 percent of the population is under age 15.***

Women are entering the labor force in increasing numbers. Women made up only 11 percent of the workforce in 1975. In 1984, they held 20 percent of the available jobs. However, over 80 percent of employed women are in the lower third wage-earning bracket.

Most Tunisians work in agriculture, although an increasingly smaller proportion of the workforce is required to farm the arable land. In 1960, agricultural production required the labors of over 50 percent of the

See the January 1986 issue of ***International Demographics*** *for in-depth consumer information about Tunisia.*
Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.

workforce, compared with 35 percent in 1980. Industry consumed 19 percent of the workforce; service industries, 17 percent; and construction, 10 percent.

WOMEN HAMPERED BY TRADITION, NOT LAW

Things have changed for Tunisian women. They now are full citizens with the same legal rights and responsibilities as men. They are encouraged to attend school, hold jobs outside the home, and control their own financial affairs.

But old traditions die hard. Some movement has been made in employment, with fully 20 percent of the Tunisian labor force made up of women. However, women hold primarily low-wage positions. Educational attainment too is up, with girls making up 40 percent of primary school students and 40 percent of secondary school students as well.

RURAL-TO-URBAN SHIFT

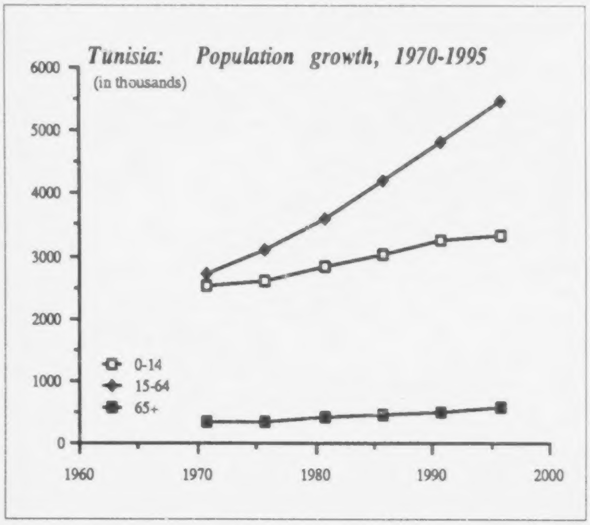
In 1950, 31 percent of Tunisia's population lived in cities, with 69 percent living in rural areas. By the year 2000, exactly the opposite will be true. Urban areas have been growing rapidly, spurred by the increasing numbers of job seekers moving to the densely populated cities.

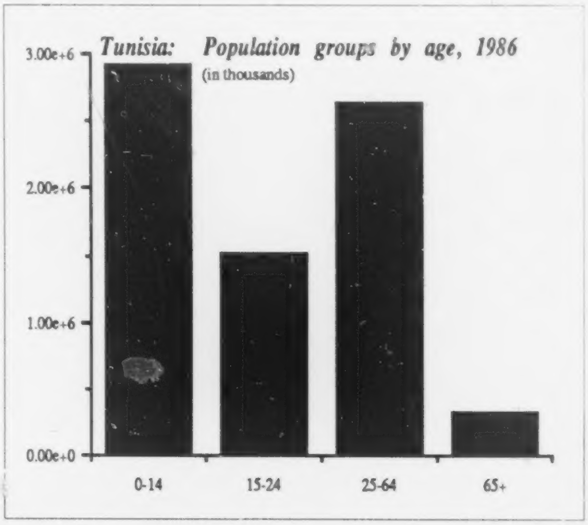
Growth in rural areas has been negligible since the early 1960s, while urban growth has averaged about 4 percent annually. Tunis, the capital city, went from about 685,000 residents in 1966 to almost 874,000 in 1985.

AN ECONOMY IN TROUBLE

One of Tunisia's greatest economic problems is its failing agricultural sector. Much of the food consumed by Tunisians is imported, contributing to a growing negative trade balance. Agricultural problems stem from adverse weather conditions and the small size of farms which lessens the applicability of modern farming methods.

In 1983, olive oil production fell by 31 percent, grain by 28 percent, and citrus fruit by nearly 17 percent. Increased production of fruit, vegetables, and livestock offset other crop failures to produce growth of only 0.2 percent. The tourist industry, too, is in trouble. Terrorism and the 1984 bread riots led to an 8 percent decline in industry revenues. Although the government is forecasting a turnaround, outside observers see further decline or no growth in the near future.





take a quick look at Tunisia

POPULATION

Total population (estimated 1986) | **7,387,306**
Rate of population growth (percent) | **2.35**
Lifetime births per woman (total fertility rate) | **4.31**
Birthrate (births per 1,000) | **30.13**
Death rate (deaths per 1,000) | **6.68**
Population under 15 (percent) | **39.6**
Population aged 65 plus (percent) | **4.4**
Median age | **19.5**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.9**
Number of persons per square kilometer | **44**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **67/70**
Infant mortality rate (number per 1,000 live births) | **49.2**
Population per physician/per nursing person | **3,620/950**
Daily calorie supply per capita (calories per person per day) | **2,889**

Education

Percent literate (male/female, total percentage) | **51/25, 62**
Number enrolled in secondary education as percentage of age group (male/female) | **37/23**
Number enrolled in higher education as percentage of population aged 20-24 | **5**

Labor force

Percent of labor force in agriculture/industry/services | **35/36/29**
Percentage of population of working age (aged 15-64) | **56**
Age-dependency ratio | **78.3**

STATUS OF WOMEN

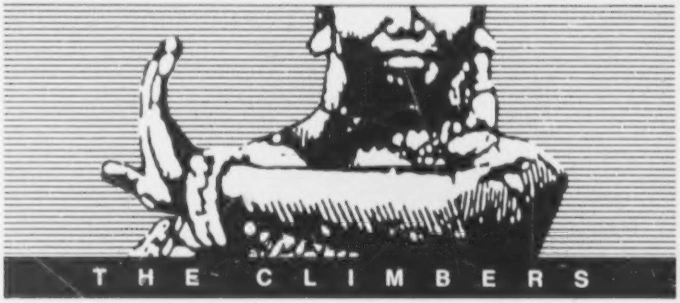
Labor force participation rate (percent) | **19**
Number enrolled in secondary education as percentage of age group | **23**
Percent of women aged 15-49 using contraceptives | **41**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **57/43**
Population of major metropolitan areas
    city name | **Tunis 873,515**
    city name | **Sfax 256,739**
Average annual growth in cities of 20,000 or more (percent) | **4.0**
Average annual growth in rural areas (percent) | **0.4**
Rate of total population growth (percent) | **2.41**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$1,270**



THE CLIMBERS

Here they come. The Climbers are making everyone nervous. For Asia watchers, Climbers Taiwan and South Korea are on the move. Their mentor, Japan--no longer a Climber but a full-fledged Ultimate Consumer--showed the way and is now on top, with average income surpassing that in the U.S. What Japan did, these Climbers hope to do. For those looking at Latin America, Brazil is moving full force ahead. Some say the 21st century will belong to big and booming Brazil.

But all the Climbers are not climbing at the same rate, especially when it comes to overall standard of living and consumer purchasing power. Although GDP growth rates for most Asian Climber countries surpass those of the U.S. and other industrialized nations, debt-saddled Latin American Climbers are having a hard go of it. GDP in China grew at 5.6 percent annually between 1970 and 1982, and registered a surging 9 percent growth in 1983 and an amazing 12 percent in 1984. In South Korea GDP grew at an annual rate of 8.6 percent between 1970 and 1982, in the Philippines by 6 percent, in Taiwan by 8 percent, and in Thailand 7.1 percent during the same period.

THE RIGHT DEMOGRAPHIC MAKE-UP

But economics aside, the Climbers have the right demographic makeup for expanding potential markets. The status of women is improving through increased participation in the labor force and rising levels of education. Youth predominate, creating a lively labor pool and ready consumer group, despite declining population growth rates and declining average number of lifetime births per woman. These young adult populations now growing rapidly due to past high fertility will continue to do so well into the next century. Several cities are active and growing, as opposed to just one enormous mega-city, so that the pressures of urban growth--especially that caused by rural-to-urban migration--can be shared. Many Latin American Climbers, however, such as Peru, Mexico, and Venezuela, face increasingly persistent population pressures on their primate cities.

These four positive demographic indicators point to a potential increase in consumer demand. Rapid population growth in Climber countries has the potential of creating a new more affluent market and a huge labor force. Purchasing power in these countries is on the rise. Markets will expand as growth in incomes and populations continues.

The predominance of youth in Climber countries creates a growing demand for goods and services, education, and employment, while the rural-urban shift offers tremendous opportunities for business in the areas of construction, sanitation, power, telecommunications, and transport, according to UNFPA Executive Director Rafael M. Salas.

As low-demand, scattered rural markets concentrate into centralized urban markets, new consumer markets emerge. Such Asian Climber countries as the Philippines, which was 37.4 percent urban in 1980, will be about 66 percent urban by 2025. Such Latin American Climbers as Brazil will see urban population climb from 67.5 percent in 1980 to nearly 90 percent by 2025. Because Latin America has been traditionally more urban than other developing regions of the world, however, this trend will not be as strong in Latin American Climber countries.

Women in Climber countries are on the way up. Labor force participation rates in 1982 in such Asian Climbers as South Korea (42 percent), Taiwan (40 percent), China (74 percent) and Thailand (65 percent) compare with Ultimate Consumer West Germany's 39 percent and the U.S.'s 53 percent. Fewer children per woman goes hand in hand with increased opportunities for personal determination of the course of women's lives, for personal development and achievement, and ultimately for leisure and consumption.

LOWERED FERTILITY MEANS AN EVENTUAL END TO POPULATION GROWTH

Population growth rates have begun to decline in the Climber countries. The average number of lifetime births per woman have fallen by a quarter or more over the past decade in such populous Latin American and Asian Climber countries as Brazil, Mexico, and Thailand. These countries, however, have a long way to go before births and deaths are in balance and population stabilizes, but they are moving in the right direction.

Some, like China, South Korea, and Taiwan, have reached or are close to reaching replacement level of 2.1 lifetime births per woman, which means that their populations will eventually stop growing and stabilize. (Allowing for some childhood deaths, 2.1 children per couple allows a population to just reproduce itself.) Take China, for example. Although fertility rates are down to replacement level, the large number of women of childbearing age born in past high-fertility years (270 million) will keep adding more children to the population. Only after the numbers of women of childbearing age decline will the population stop growing.

ECONOMIC GROWTH MUST KEEP PACE WITH POPULATION GROWTH

Continued economic growth is all important to still-growing populations of most Climber countries. The falling population growth rates of the Climber countries will not take the pressure off most of these countries until the beginning of the next century at the earliest. Large numbers will be added before their populations stabilize even after they attain replacement-level fertility because of the population momentum of their large and youthful population bases.

This is especially true for the economically troubled Climber countries in Latin America such as Mexico and Peru. And even such economic movers as Climbers Brazil and Venezuela will have to grow at a rapid pace to just tread water. Rapid population growth, however, has its detractors and backers. Some argue that rapid population growth is a stimulant for economic growth; others see it as a deterrent. No matter which side of the debate, however, no one doubts that rapidly expanding populations do add time constraints to the big task of providing jobs and housing.

CLIMBERS HAVE SIZEABLE AND RELATIVELY AFFLUENT MIDDLE CLASSES

Many Climber countries already have a relatively affluent and sizeable class of consumers. In many Climber countries such as Korea and Taiwan (where population rates have slowed but the population is still growing), economic growth is keeping pace or exceeding the rate of population growth, resulting in rising purchasing power.

Then too, whether the rising wealth of Climber countries is distributed evenly or unevenly throughout the population tells a lot about the structure of the potential market. Currently, the markets in these countries are typically not homogeneous. Latin American Climber countries in particular have not created jobs as fast as job-seekers have arrived in cities, leading to large differentials in the income of those who work in the formal sector and the informal sector. These income disparities are less acute in most of the Asian Climber countries.

Brazil

THE CLIMBERS

Brazil is back. After the oil price shock of 1979 and the foreign debt crunch of 1982, growth is strong with real GDP levels on the rise, inflation down, and exports surging. Brazil's 1985 growth rate of 8.3 percent topped all others worldwide. And only Japan and West Germany beat Brazil's 1985 $12 billion trade surplus--a surplus sufficient to cover interest on Brazil's foreign debt. Retail sales have jumped 30 to 40 percent, with industries going to full production to meet demand. Unemployment, in response, is down. Manufactured goods now account for 55 percent of total exports, up from 30 percent only 10 years ago. And the future looks bright. Brazilian officials predict that by the year 2000, Brazil will be the fifth-largest free-market economy, trailing only the U.S., Japan, West Germany, and Britain.

All this good news goes hand in hand with Brazils' demographic picture. Demographically, Brazil's got what it takes to assure expanding markets in the future. Predominately young and still growing, Brazil's population offers marketers an expanding class of consumers with rising purchasing power. Brazil's women figure prominently, having benefited from increased educational attainment and labor force participation. And, although having experienced rapid urbanization, Brazil was able to avoid the Latin American hyper-urbanization trap, in which one-fourth to one-third of a country's population lives in a single city. With 10 cities of more than 1 million people, Brazil has been able to lessen the difficulties of providing jobs and urban services while concentrating consumer demand in centralized regional urban markets.

> ***Predominately young and still growing, Brazil's population offers marketers an expanding class of consumers with rising purchasing power.***

STILL GROWING, BUT MORE SLOWLY

Brazil experienced rapid population growth after 1950 as mortality declined and fertility remained high. Death rates declined rapidly during the 1950s due to the spread of public health measures and the prevention and treatment of infectious diseases. Prior to 1965, a Brazilian woman would bear six children on average. Growth slowed in the 70s and 80s, after the average number of lifetime births per woman began to fall due largely to socioeconomic development and family planning efforts. By 1980, the average number of lifetime births per woman had fallen to 3.8, down from an average of 6.2 children in the 50s and 60s. Brazil's annual average population growth rate, which had been 2.33 percent during the 1930s and

*See the May 1982 issue of **International Demographics** for in-depth consumer information about Brazil. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

1940s, jumped to 3.04 percent between 1950 and 1965 and then declined to 2.38 percent between 1965 and 1985.

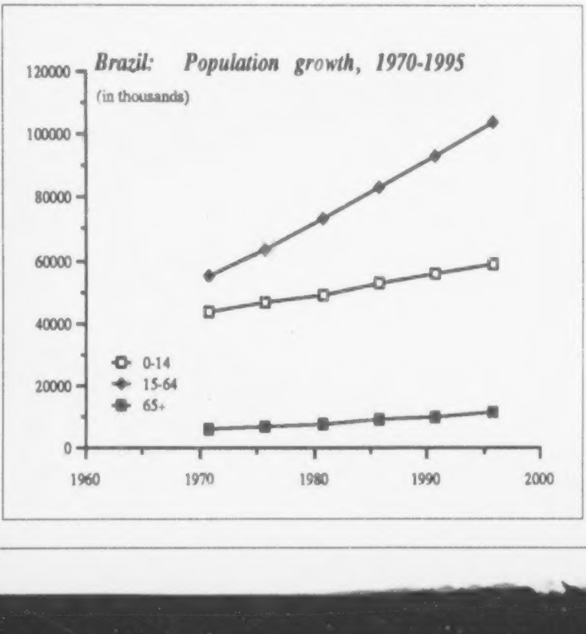
Despite Brazil's substantial decline in the number of children a Brazilian woman will bear in her lifetime, Brazil's population will continue to grow due to the demographic momentum of its large and youthful population base and its still well-above replacement-level fertility of 3.8 children per woman. Brazil has an extra-large proportion of young people in or about to enter the childbearing ages due to past high fertility. Brazil's population is estimated to grow from 143 million in 1986 to 246 million in 2025--a rise of 100 million people in 40 years.

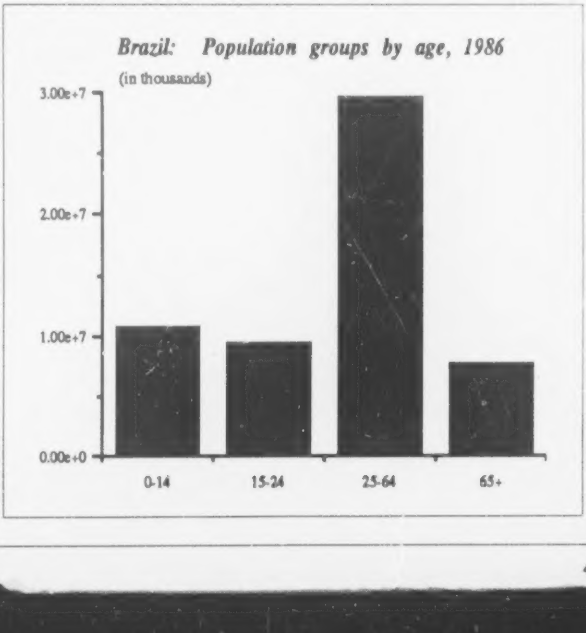
Maintaining or improving per capita income for the Brazilian people in light of these numbers is a major task. To maintain per capita income, economic growth must equal population growth. Brazil's past rack record says it can be done. Brazil maintained high rates of economic growth, even with high population growth until the early 1980s, although unequal distribution of income is an ongoing problem. Parts of the northeast are as poor as West Africa, parts of the south as affluent as Spain and Italy.

YOUNG AND ACTIVE CONSUMERS

Brazil's youth population, those aged 15 to 24, is beginning to make its impact. The disproportionate number of babies born between 1960 and 1980 are entering the job market now. They will continue to do so for the remainder of the 1980s and throughout the 1990s, putting increased pressure on urban job markets and housing for new families, while driving up the market for consumer durables. About 27.5 million, or 20 percent of Brazil's 135.5 million people, now fall in this category.

How these new households consume can be in part predicted by previous household consumption patterns of Brazilian families. Low-income Brazilians spend a large proportion of their household budget on food--as much as 45 percent of their total expenditure among urban families. Even so, over one-third of poor urban families owned TVs as early as 1975. Of all urban households in 1980, about three-quarters owned radios, refrigerators, and TVs. Thirty percent owned cars.





take a quick look at Brazil

POPULATION

Total population (estimated 1986) | **143,536,959**
Rate of population growth (percent) | **2.47**
Lifetime births per woman (total fertility rate) | **4.0**
Birthrate (births per 1,000) | **31.63**
Death rate (deaths per 1,000) | **6.96**
Population under 15 (percent) | **38.0**
Population aged 65 plus (percent) | **3.9**
Median age | **21.6**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **50.0**
Number of persons per square kilometer | **16**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **64/69**
Infant mortality rate (number per 1,000 live births) | **63.0**
Population per physician/per nursing person | **1,200/1,140**
Daily calorie supply per capita (calories per person per day) | **2,533**

Education

Percent literate (male/female, total percentage) | **78/74, 76**
Number enrolled in secondary education as percentage of age group (male/female) | **29/35**
Number enrolled in higher education as percentage of population aged 20-24 | **11**

Labor force

Percent of labor force in agriculture/industry/services | **31/27/42**
Percentage of population of working age (aged 15-64) | **58**
Age-dependency ratio | **68.7**

STATUS OF WOMEN

Labor force participation rate (percent) | **39**
Number enrolled in secondary education as percentage of age group | **35**
Percent of women aged 15-49 using contraceptives | **50**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **73/27**
Population of major metropolitan areas
 city name | **Sao Paulo 12,588,000**
 city name | **Rio de Janeiro 9,019,000**
Average annual growth in cities of 20,000 or more (percent) | **3.7**
Average annual growth in rural areas (percent) | **-1.3**
Rate of total population growth (percent) | **2.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$1,720**

China

THE CLIMBERS

Astronomical numbers describe China. The world's only demographic billionaire, China now houses 21 percent of the world's population. In all this talk about billions, however, it's easy to forget how poor China actually is, with an average per capita income of about $400. Yet, the Chinese economy is booming, and Asia's population billionaire is now being hailed as the development success of the 1980s.

MORE GROWTH TO COME, THEN STABILIZATION

Gone are the Maoist days of people as China's greatest resource when women averaged five to six lifetime births. With births per woman down to replacement level--2.1 in 1984--China's population growth will come to an eventual end. With 1.05 billion people at mid-1986, this is good news for the world's most populous country.

Despite its declining birthrate, China will experience large population increases until its large bulge of women of childbearing age passes beyond their reproductive years. Only then will the population stabilize.

Because of this so-called demographic momentum, the Chinese government introduced a one-child policy in 1979. If China's 270 million women of childbearing age each gave birth to two children, China would add half a billion people to its 1 billion current population in the early 21st century. Even with its one-child policy, China's population is expected to grow 51 percent from 1985 to 1995, from 1.04 billion to 1.57 billion, and then finally to stabilize.

ECONOMIC GROWTH RIVALS POPULATION GROWTH

China's post-Mao coming out has done wonders for the Chinese economy. In the short time since Nixon opened up China to the U.S., trade has gone from zero to $8 billion a year. U.S. investment has gone from nothing to $1.5 billion. GNP per capita has grown at one of the world's higest rates--an average of 4.5 percent annually during the period 1965 to 1984.

> ***Income and expenditure trend information is especially essential for business people investing in Chinese joint ventures that produce consumer goods.***

China began its extraordinary economic growth just eight years ago when Mr. Deng introduced the first of his economic reforms. Experiments with capitalism have produced encouraging results. Industrial production has more than doubled in the last 10 years. So has the production of such capital goods as machine tools, steel, power equipment, and trucks. Energy output too is way up. In trade, the value of exports has gone from less than $10 billion in 1976 to $27.3 billion in 1985, while the value of imports has quadrupled from less than $10 billion to $42.5 billion during the same time period. Grain production has risen from about 283 million metric tons in 1976 to 478 million in 1984.

And no one is doubting that China is

*See the October 1984 issue of **International Demographics** for in-depth consumer information about China. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

poised for further economic expansion. Many experts believe that it can maintain its fast-paced economic growth of the past 10 years, which averaged nearly 7 percent a year in GDP growth. This compares to Japan's 4.1 percent average annual growth in GDP over the same period. The investment outlook, too, is good. China along with India accounted for 20 percent of World Bank loans committed in 1985 and is expected to be one of the World Bank's biggest borrowers for years.

POST-1978 REFORMS BOOST LIVING STANDARDS

Boom times mean rising living standards for the average Chinese--better housing and the availability of more consumer goods. Income and wages are rising in the wake of economic reforms that unleashed a wave of entrepreneurialism and heightened production.

Nominal per capita urban incomes rose from 316 yuan in 1978 to 608 yuan in 1984, increasing by 7.4 percent annually during the same period. Rural incomes grew even faster, spurred largely by sideline production, rather than collective activities. By 1984 average net per capita income for peasants was 355 yuan, two and a half times its 1978 level.

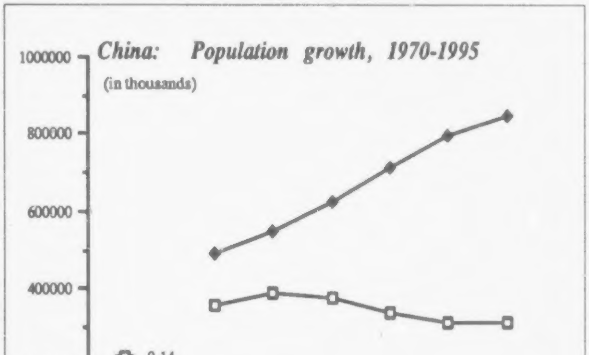
Decollectivization, higher agricultural procurement prices, and implementation of the household responsibility system have combined to narrow the gap between urban and rural income. Real per capita income for rural peasants rose 14.7 percent between 1978 and 1983, almost twice as fast as income for their urban counterparts, which increased by 7.4 percent annually during the same period.

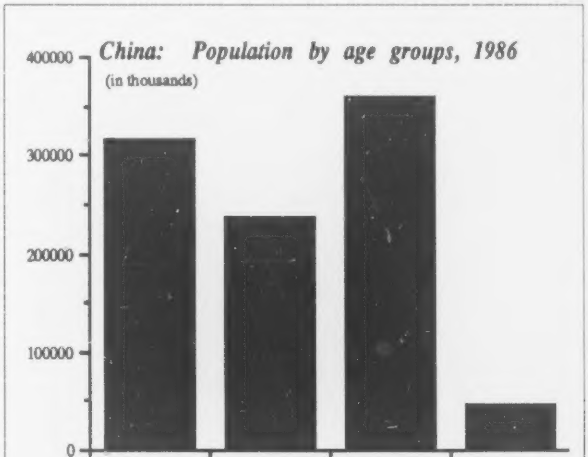
Both urban and rural income distribution shifted with impressive gains in the numbers of prosperous households. By 1984, 49 percent of urban worker and staff households had annual incomes of over 600 yuan, in contrast to only 18 percent in 1981. A similar shift occurred in the countryside. In 1983, 46 percent of peasant households earned annual incomes of 300 yuan and over, in contrast to only 7 percent of rural households in 1979.

LIMITED MARKET FOR CONSUMER GOODS AT PRESENT

The realities of China's current consumer-goods market trail behind its potential. Producer goods have made up 79 percent of all Chinese imports in recent years. Then why pay attention to consumer incomes and demand in China?

Because private consumption makes up 70 percent of all final demand in China, according to Jeffrey R. Taylor and Karen A. Hardee, authors of *Consumer Demand in China: A Statistical Factbook*. "The market for exports of consumer goods is clearly very limited now. Those who try to sell such commodities directly to China may well be frustrated. Still, an understanding of consumer income and expenditure trends for the country is essential to a successful marketing strategy for China, since consumer demand is the driving force behind demand for all commodities--including producer goods." Income and expenditure trend information is especially essential for business people investing in Chinese joint ventures that produce consumer goods. ■


China: Population growth, 1970-1995


China: Population by age groups, 1986

take a quick look at China

POPULATION

Total population (estimated 1986) | **1,053,716,298**
Rate of population growth (percent) | **0.97**
Lifetime births per woman (total fertility rate) | **2.03**
Birthrate (births per 1,000) | **17.43**
Death rate (deaths per 1,000) | **7.69**
Population under 15 (percent) | **28.8**
Population aged 65 plus (percent) | **5.1**
Median age | **23.7**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **54.8**
Number of persons per square kilometer | **111**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **66/64/68**
Infant mortality rate (number per 1,000 live births) | **38.2**
Population per physician/per nursing person | **1,730/1,670**
Daily calorie supply per capita (calories per person per day) | **2,620**

Education

Percent literate (male/female, total percentage) | **NA**
Number enrolled in secondary education as percentage of age group (male/female) | **53/35**
Number enrolled in higher education as percentage of population aged 20-24 | **1**

Labor force

Percent of labor force in agriculture/industry/services | **69/19/12**
Percentage of population of working age (aged 15-64) | **66**
Age-dependency ratio | **55.9**

STATUS OF WOMEN

Labor force participation rate (percent) | **74**
Number enrolled in secondary education as percentage of age group | **35**
Percent of women aged 15-49 using contraceptives | **71**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **21/79**

Population of major metropolitan areas

city name | **Chongqing 14,000,000**

city name | **Shanghai 11,000,000**

Average annual growth in cities of 20,000 or more (percent) | **1.9**

Average annual growth in rural areas (percent) | **1.0**

Rate of total population growth (percent) | **0.9**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$310**

Costa Rica

THE CLIMBERS

Costa Rica is Central America's notable exception. The only Climber country in Central America, Costa Rica not only has life expectancy and infant mortality rates comparable to those of most developed countries, but a high contraception prevalence rate and a 3.4 children per woman fertility rate. In addition, medicine and education are free, with government pensions for old age, injury, and death. An impressive 26 percent of those aged 20 to 24 are enrolled in higher education and 48 percent of high school-aged students are enrolled in secondary education.

A RELATIVELY HIGH STANDARD OF LIVING

These basic demographic, educational, and health-related indicators point to a relatively high standard of living. According to the United Nations Economic Commission for Latin America, only 25 percent of Costa Ricans are poor.

However, most Costa Ricans earn little. Per capita income in 1981 was $1,476. In 1981, the most common salary range was $33 to $55 a month (earned by 25 percent of all workers). About 12 percent of workers earned $111 a month in 1981. The past 5 years have done little to improve the workers' lot. In fact, overall living standards have dropped by 12 percent in the last seven years due to austerity measures to reduce the $3.6 billion debt. Paying the interest on the foreign debt takes 30 percent of Costa Rica's export earnings.

The economic future for Costa Rica depends heavily on attracting foreign investment--not an easy goal in light of investors' fears of political turmoil in neighboring Nicaragua. However, the economy, helped along by rising prices for coffee, cheaper oil, and lower interest rates, is not doing all that badly. Inflation is a controlled 12 to 13 percent and the trade deficit should run a modest $40 to $50 million this year.

> ***Young people born in the 1960s and 1970s are now entering the job market. And they will continue to do so in disproportionately large numbers through the 1990s.***

A SMALL BUT GROWING CONSUMER MARKET

Costa Rica's 2.7 million people make up a small but growing consumer group. Although population growth has slowed since the boom years of the '50s and '60s, Costa Rica will add another million people by the year 2000.

Costa Rica experienced rapid population growth after 1950 as mortality declined and fertility remained high. Death rates declined rapidly during the 1950s due to the spread of public health measures and the prevention and treatment of infectious diseases. Prior to 1965, a Costa Rican woman would bear an average of 6.9 children. By 1985, this figure

See the January 1984 issue of International Demographics *for in-depth consumer information about Costa Rica. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

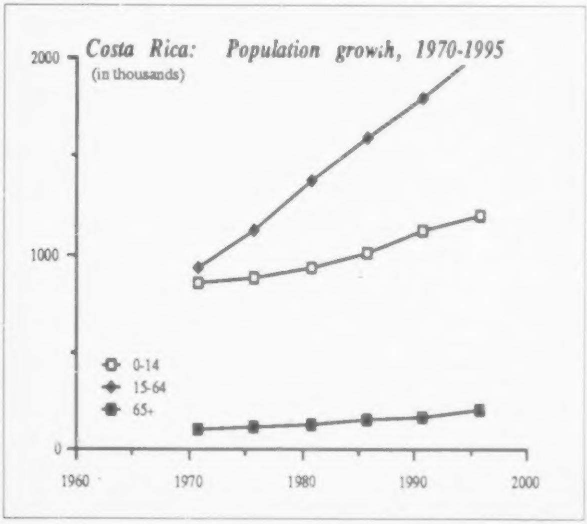
had dropped to 3.5 children due to socioeconomic development and family planning programs. As a result, growth slowed in the '70s and '80s. Costa Rica's annual average population growth rate, which had been 2.71 percent during the 1930s and 1940s, jumped to 3.64 percent between 1950 and 1965 and then declined to 2.81 percent between 1965 and 1985.

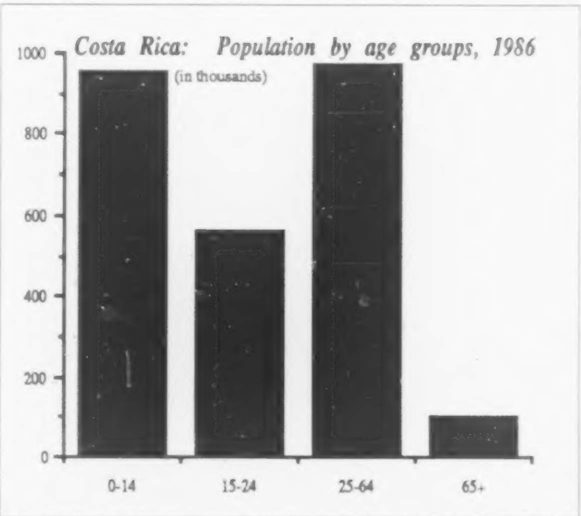
Despite reduced fertility, Costa Rica's population will continue to grow. Costa Rica's current 3.4 children per woman is well above the 2.1 children necessary for a population to replace itself. Add to this the extra-large proportions of young people entering childbearing--the legacy of past high fertility--and it comes as no surprise to hear that Costa Rica's 1986 population of 2.7 million is projected to grow to 3.4 million by the year 2000 and 4.6 million by 2020.

THE YOUTH WAVE

Like most Latin American countries, Costa Rica is young. About 37 percent of its 1985 population was under age 15. Costa Rica's high birthrates of the '50s and '60s produced a very youthful population age structure. Declining birth rates in the late 1960s, however, were responsible for reducing the proportion of youth in the population from 48 percent in 1960 to the present 37 percent.

Past high fertility puts pressure on city job markets and housing for new families now. Young people born in the 1960s and 1970s are now entering the job market. And they will continue to do so in disproportionately large numbers through the 1990s. If, as President Arias recently suggested, foreign banks reinvest part of their interest in Costa Rican export industries, or if currently prospering non-traditional exports continue doing well, Costa Rica may have a better chance at putting its surging numbers of job hunters to work.


Costa Rica: Population growth, 1970-1995
(in thousands)


Costa Rica: Population by age groups, 1986
(in thousands)

take a quick look at Costa Rica

POPULATION

Total population (estimated 1986) | **2,734,694**
Rate of population growth (percent) | **2.82**
Lifetime births per woman (total fertility rate) | **3.38**
Birthrate (births per 1,000) | **29.32**
Death rate (deaths per 1,000) | **3.72**
Population under 15 (percent) | **36.3**
Population aged 65 plus (percent) | **3.9**
Median age | **21.1**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **52.0**
Number of persons per square kilometer | **51**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72/78**
Infant mortality rate (number per 1,000 live births) | **17.4**
Population per physician/per nursing person | **NA**
Daily calorie supply per capita (calories per person per day) | **2,556**

Education

Percent literate (male/female, total percentage) | **84/83, 83**
Number enrolled in secondary education as percentage of age group (male/female) | **44/51**
Number enrolled in higher education as percentage of population aged 20-24 | **26**

Labor force

Percent of labor force in agriculture/industry/services | **31/23/46**
Percentage of population of working age (aged 15-64) | **59**
Age-dependency ratio | **68.1**

STATUS OF WOMEN

Labor force participation rate (percent) | **17.5**
Number enrolled in secondary education as percentage of age group | **51**
Percent of women aged 15-49 using contraceptives | **65**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **45/55**
Population of major metropolitan areas
    city name | **San Jose 271,873**
    city name | **Alajuela 42,579**
Average annual growth in cities of 20,000 or more (percent) | **3.8**
Average annual growth in rural areas (percent) | **1.7**
Rate of total population growth (percent) | **2.82**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$1,190**

Mexico

THE CLIMBERS

Mexico began the developing-country debt drama in 1982. Since then Mexico's debt rescheduling program has lessened the debt crisis to a more manageable level by cutting government spending, increasing taxes, devaluing the exchange rate, and curbing demand. By 1985, the government had cut spending by 25 percent in real terms, halving the budget deficit as a proportion of the GNP. And to deal with external debt, Mexico cut imports between 1982 and 1985 by $8 billion.

In response to these austerity measures, the real earnings of an industrial worker fell about 40 percent and the economy contracted sharply. Per capita consumption fell by -1.4 percent annually between 1980 and 1984. GDP fell by -0.7 percent annually over the same period, making people poorer and putting political pressure on the government. Solutions seem more to provide breathing space than any real way out of what appears to be a chronic economic problem.

Mexico's demographics only aggravate this situation. Hyper-urbanized (22 percent of Mexicans live in Mexico City) and young (40 percent of Mexicans are under age 15), Mexico faces an ongoing struggle to provide urban housing and jobs. Rapid urbanization has left 65 percent of Mexico's population living in urban areas, up from 26 percent in 1950.

Before the early 1970s when the Mexican government introduced family planning, the average Mexican woman had 6.8 lifetime births. The population grew rapidly from about 27 million people in 1950 to 43.5 million in 1965 as deaths declined due to the introduction of modern medicine.

Between 1950 and 1965, the population grew at an average annual rate of 3.09 percent. Population growth slowed to 2.98 percent between 1965 and 1985, as lifetime births fell to 4.6 per woman between 1980 and 1985. Fertility is projected to fall further to 2.9 lifetime births per woman in the year 2000 and 2.3--near replacement level--in 2010.

> ***Rapid urbanization has left 65 percent of Mexico's population living in urban areas, up from 26 percent in 1950.***

However, due to population momentum, the population will continue to grow rapidly from 70 million in 1980 to 112 million in the year 2000 as the high proportions of Mexican youth enter childbearing ages.

JOB CREATION AN ENORMOUS TASK FOR MEXICAN INDUSTRY

Each year between 700,000 and 800,000 young people look for work in Mexico. Most look in the city. While Mexico's total population increases at about 2 percent a year, the labor force--those working or looking for work--grows at about 3.4 percent.

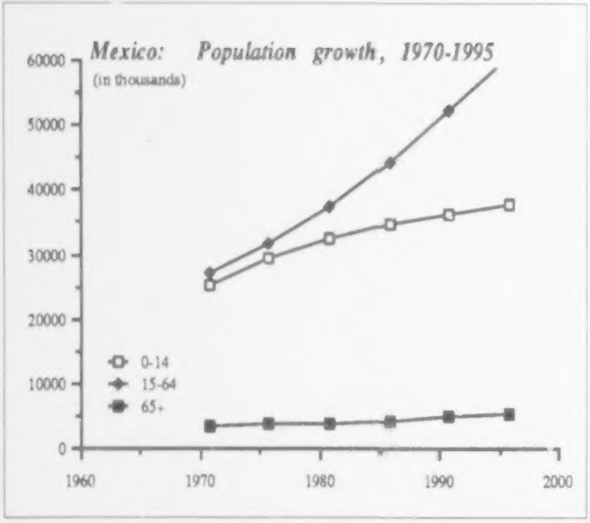
With youth populations growing especially rapidly due to past high fertility and declining mortality, current strong pressure on city job markets and housing will continue into the

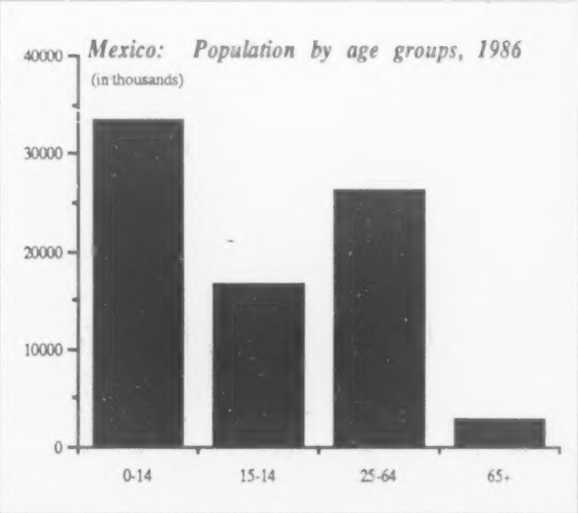
See the October 1982 issue of ***International Demographics*** *for in-depth consumer information about Mexico. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

next century with the number of people aged 15 and over working or looking for work expected to more than double between 1980 and the year 2000, from 20 million to 42 million. About 20 percent of Mexico's 1985 population was aged 15 to 24. A whopping 42 percent was under age 15.

Job growth must happen in the cities. With urban population tripling from 30.5 million in 1970 to 84.6 million in the year 2000, and the nonagricultural labor force quadrupling, the demand for urban jobs will be an ongoing problem. In addition, fulfilling the expectations of youth fed by increased education and media exposure in an economy characterized by a high-income modernized sector and a large informal sector is extremely difficult.

Mexico's past track record does not give rise for any high hopes. World Bank figures from 1977 (the Mexican census does not ask about income) show that the top 20 percent of households controlled 58 percent of total income (of which the top 10 controlled 41 percent), with the bottom 20 percent of households controlling only 3 percent of total income. Unequal income distribution combined with hyper-urbanized population distribution aggravate Mexico's job market outlook.





take a quick look at Mexico

POPULATION

Total population (estimated 1986) | **80,171,097**
Rate of population growth (percent) | **2.07**
Lifetime births per woman (total fertility rate) | **3.54**
Birthrate (births per 1,000) | **28.77**
Death rate (deaths per 1,000) | **5.64**
Population under 15 (percent) | **40.4**
Population aged 65 plus (percent) | **4.0**
Median age | **18.4**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **49.0**
Number of persons per square kilometer | **40**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **70/67/73**
Infant mortality rate (number per 1,000 live births) | **42.9**
Population per physician/per nursing person | **1,140/NA**
Daily calorie supply per capita (calories per person per day) | **2,934**

Education

Percent literate (male/female, total percentage) | **NA**
Number enrolled in secondary education as percentage of age group (male/female) | **52/49**
Number enrolled in higher education as percentage of population aged 20-24 | **15**

Labor force

Percent of labor force in agriculture/industry/services | **28**
Percentage of population of working age (aged 15-64) | **49**
Age-dependency ratio | **48**

STATUS OF WOMEN

Labor force participation rate (percent) | **00**
Number enrolled in secondary education as percentage of age group | **00**
Percent of women aged 15-49 using contraceptives | **00**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **70/30**

Population of major metropolitan areas

city name | **Mexico City 14,750,182**

city name | **Guadalajara 2,467,657**

Average annual growth in cities of 20,000 or more (percent) | **3.6**

Average annual growth in rural areas (percent) | **0.5**

Rate of total population growth (percent) | **2.1**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$2,040**

Peru

THE CLIMBERS

Peru is in trouble. Between 1980 and 1984, average annual growth rates for GDP, exports, imports, investment, and per capita consumption were all down. GDP fell by -0.7 percent annually; exports by -0.6; imports by -10.8; investment by -5.3 percent; and per capita consumption by -3.7 percent. And no one was happy when Peru announced its intention of limiting its debt-service payments to 25 percent of its export earnings. Peru's debt crisis has played a large part in dragging Peru's real per capita income level back to what it was in 1965.

Peru's problems are not new, although they came to the fore when the Latin American debt crisis began. Public-sector loans made to Peru between 1970 and 1985 for the most part financed food imports and military expenditures. Analysts estimate that only about 10 percent of the loans were used productively to create jobs. Further exacerbating this picture was Peru's penchant for employing many new workers in government rather than in private-sector jobs. About half of all salaried workers sit behind government desks.

FAST GROWING, YOUTHFUL POPULATION KEEPS UP DEMOGRAPHIC PRESSURES

Peru's demographic picture compounds its economic problems. Peru's consistently high fertility combined with rapidly dropping mortality due to the introduction and widespread dissemination of modern medicine after World War II led to sustained rapid population growth. In 1950, Peru's population numbered 7.6 million people. By 1970, the population had surged to 13.1 million, and by 1986 to 20.2 million people.

And although the population growth rate is slowing and the birthrate edging downwards, the disproportionately large numbers of youth entering their childbearing ages well into the 21st century will keep up the already great population pressures. The population growth rate is expected to fall from its present 2.5 percent to about 2.1 percent in the year 2000. However, population will continue to climb from its current 20.2 million to 28.1 million in the year 2000 and 40.3 million in 2020.

> ***One out of three Peruvians lives in Peru's mega-city, Lima.***

Peruvian women in the1950s commonly bore about seven children. By the early 1970s, the number of lifetime births had fallen to about six births per woman. It was not until the early 1980s that fertility had come down to five children per woman--still a very high fertility rate.

What all this adds up to is a very youthful population, slated to remain so well into the 21st century. About 40 percent of all Peruvians are under age 15. This proportion will remain high although it will decrease somewhat to about 36 percent of the total population in the year 2000. Picking up the slack will be the proportion of the population of work-

*See the June 1983 issue of **International Demographics** for in-depth consumer information about Peru. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

ing ages. Those aged 15 to 64, who now make up about 56 percent of Peru's total population, are expected to increase to 60 percent of the population in the year 2000. The proportion of those over 65 will remain small, reaching 4.3 percent of the total population in the year 2000, up from 3.6 percent of the total population at present.

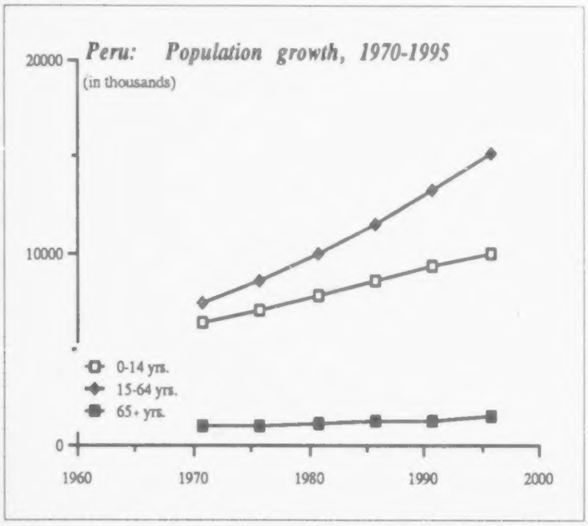
ONE OUT OF THREE PERUVIANS LIVES IN PERU'S MEGA-CITY, LIMA

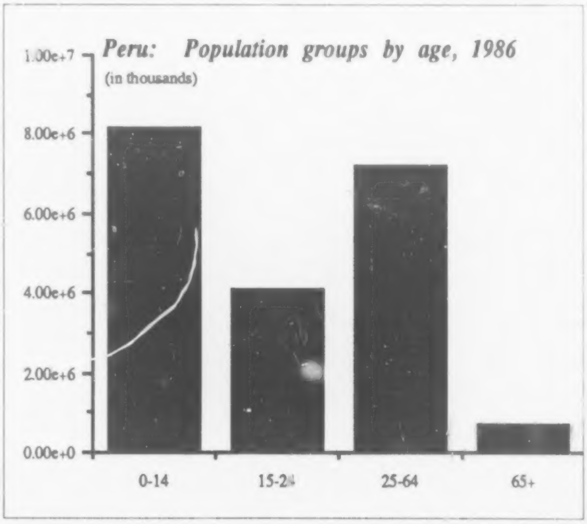
All these young people entering their childbearing and family formation years will place severe pressures on already stressed urban job markets, services, and housing. Much of the pressure will mount in Peru's capital city of Lima.

Lima is Latin America's sixth largest metropolitan area--with about 4.5 million people in Peru's 1981 census year--and commands a disproportionate share of Peru's population and wealth. Accounting for nearly 30 percent of Peru's entire population and about 42 percent of its urban population in 1981, Lima typifies the uniqueness of Latin America's urban system. Compared to other developing regions in the world, Latin America is city- rather than village-oriented. By far the most urbanized of the world's developing regions, Latin America is characterized by large-city growth.

Lima is typical of such growth. Lima's 1940 population represented about 10 percent of the total Peruvian population. By 1961, this proportion had risen to 18 percent, by 1972 to about 24 percent, and nearly 30 percent in 1981. Although this trend continues, Lima's urban primacy is waning, due to the growth of some regional centers like Trujillo and Chimbote. Nevertheless, Lima is still almost 10 times as large as the country's next ranking cities, Trujillo on the northern coast and Arequipa in the south.

Lima's predominance is not limited to population alone. It is Peru's most economically important area, accounting for 43 percent of Peru's GDP, 70 percent of its industrial income, 66 percent of its labor force, and 95 percent of all financial transactions. However, Lima's rapid urban growth puts increasingly severe pressures on the city's services, housing, and job market, leading to extreme differences in lifestyle between rich and poor.





take a quick look at Peru

POPULATION

Total population (estimated 1986) | **20,218,258**
Rate of population growth (percent) | **2.56**
Lifetime births per woman (total fertility rate) | **4.64**
Birthrate (births per 1,000) | **35.16**
Death rate (deaths per 1,000) | **9.62**
Population under 15 (percent) | **40.4**
Population aged 65 plus (percent) | **3.6**
Median age | **19.4**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **48.1**
Number of persons per square kilometer | **15**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **59/63**
Infant mortality rate (number per 1,000 live births) | **91.1**
Population per physician/per nursing person | **NA**
Daily calorie supply per capita (calories per person per day) | **1,997**

Education

Percent literate (male/female, total percentage) | **83/62, 73**
Number enrolled in secondary education as percentage of age group (male/female) | **62/52**
Number enrolled in higher education as percentage of population aged 20-24 | **22**

Labor force

Percent of labor force in agriculture/industry/services | **40/18/42**
Percentage of population of working age (aged 15-64) | **56**
Age-dependency ratio | **78.8**

STATUS OF WOMEN

Labor force participation rate (percent) | **14**
Number enrolled in secondary education as percentage of age group | **52**
Percent of women aged 15-49 using contraceptives | **41**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **67/33**

Population of major metropolitan areas

city name | **Lima Callao 4,420,000**

city name | **Truijillo 342,000**

Average annual growth in cities of 20,000 or more (percent) | **3.5**

Average annual growth in rural areas (percent) | **0.9**

Rate of total population growth (percent) | **2.56**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$1,000**

Portugal

THE CLIMBERS

Portugal's entry last year into the European Community is expected to change life in that country, albeit slowly. But it has a long struggle before it becomes an Ultimate Consumer, as are most of its EC country counterparts.

IMPORTANCE OF AGRICULTURE

About a quarter of the labor force in Portugal work in agriculture, but even that is not enough to produce the food that its residents need. Most of the farms are small, and even the large farms are ill-equipped and inefficient. Half of its food must be imported even in good times, so it is likely that upgrading of agriculture will be high on the agenda of this country in the next few years.

Because it must compete with others in the EC, Portugal must upgrade and modernize its food packaging and processing equipment. When people first begin to increase their incomes, one of their first priorities is to purchase a greater variety of foods, in more convenient forms and packages. If Portugal's own producers are not to lose market share to other EC countries, they must be able to either add value to imported foods or provide more attractive food from their own farms and processors.

Only 41 percent of the labor force work in services, a relatively low proportion compared with other EC countries. No doubt this field will grow relatively quickly, again as Portuguese industry attempts to modernize and compete with other EC firms. Computerization will be necessary in many cases as will upgrading to meet new regulations and expectations.

About 35 percent of Portugal's labor force work in manufacturing. The textiles industry is especially important to the economy, but it too needs modernization in order for Portugal to take advantage of its new position in the Community.

> ***Households in Portugal are less likely to have the amenities commonly found in the households of other European countries.***

THE RURAL LIFE

Nearly 69 percent of Portugal's 10 million people live in rural areas. Its largest city is Lisbon with about 812,000 people. The next largest is Oporto with about 330,000. The rest of its cities have fewer than 100,000 inhabitants. Even so, its population density is 111 persons per square kilometer, making it similar in density to more advanced and populous countries such as France, and slightly more crowded than neighboring Spain.

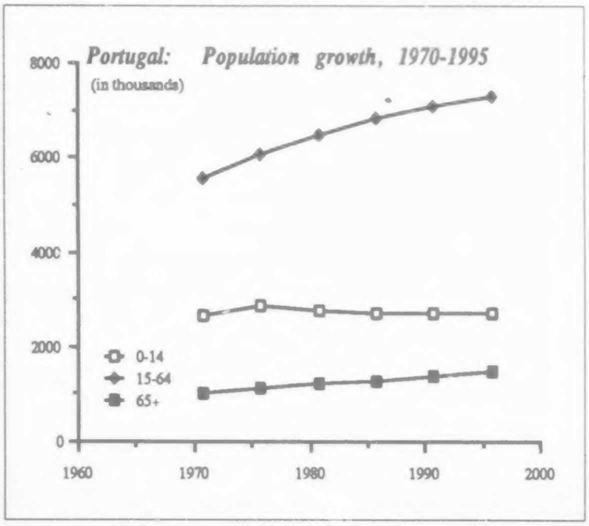
Households in Portugal are less likely to have the amenities commonly found in the households of other European countries. The rural character of Portugal is responsible in part for the fact that only 73 percent of households are served by electricity, only 58 percent have piped-in water, 63 percent a toilet, and 47 percent a shower or bath. Nearly 100 percent of new homes have piped water and a bathroom, even though only 4 percent have central heating. Space-heating equipment could be an important consumer item in Portugal for some time.

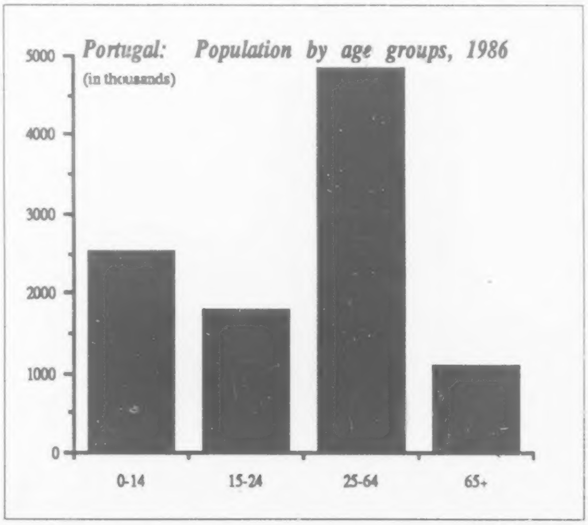
Households in Portugal do not have high rates of ownership of consumer goods. Sixty-six percent of households have a black and white television, but only 17 percent have a color television. About 70 percent of households have a refrigerator, but only 15 percent have a deep freeze. About 30 percent of households have a washing machine. Less than half of households own items such as electric shavers, sewing machines, and record players.

PORTUGAL'S YOUNG

An EC country's interest in health care is usually a reflection of growing concern about caring for its aging population. In the case of Portugal, however, there is a focus on improving primary health care for the entire population, a quarter of which is aged 0 to 14. Only about 11 percent of the population is aged 65 and over. Life expectancy is age 68 for men and 75 years for women.

The median age is 30 years, so a quarter of the population are in the prime years for secondary education and for the pairing and nesting that leads to the creation of households. This significant pool of people entering their years of household formation just as Portugal becomes affiliated with the European Community could open up a sizeable market for household furnishings, small and large appliances, and consumer electronics, many of which are not now manufactured in Portugal.





take a quick look at Portugal

POPULATION

Total population (estimated 1986) | **10,129,000**
Rate of population growth (percent) | **0.65**
Lifetime births per woman (total fertility rate) | **2.1**
Birthrate (births per 1,000) | **17.1**
Death rate (deaths per 1,000) | **9.7**
Population under 15 (percent) | **25**
Population aged 65 plus (percent) | **11**
Median age | **30.1**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **48.8**
Number of persons per square kilometer | **110**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71, 68/75**
Infant mortality rate (number per 1,000 live births) | **20**
Population per physician/per nursing person | **450/NA**
Daily calorie supply per capita (calories per person per day) | **3,046**

Education

Percent literate (male/female, total percentage) | **78/65, 71**
Number enrolled in secondary education as percentage of age group (male/female) | **54/56**
Number enrolled in higher education as percentage of population aged 20-24 | **11**

Labor force

Percent of labor force in agriculture/industry/services | **25/35/40**
Percentage of population of working age (aged 15-64) | **64**
Age-dependency ratio | **54.1**

STATUS OF WOMEN

Labor force participation rate (percent) | **53**
Number enrolled in secondary education as percentage of age group | **56**
Percent of women aged 15-49 using contraceptives | **66**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **31/69**
Population of major metropolitan areas
city name | **Lisbon 807,167**
city name | **Uporto 327,368**
Average annual growth in cities of 20,000 or more (percent) | **1.8**
Average annual growth in rural areas (percent) | **0.2**
Rate of total population growth (percent) | **0.6**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$1,970**

Puerto Rico

THE CLIMBERS

Although officially part of the U.S., many U.S. companies include Puerto Rico among their international markets. Puerto Rico's population is now young, but it won't remain that way for long. As fertility continues to decline and the baby boomers enter the ranks of the elderly, the proportion of those aged 65 and over will increase dramatically by 2025.

The proportion of the elderly will increase from about 8 percent in 1980 to an estimated 12.5 percent in 2025. At the same time, the proportion of the young--those aged under 15--is expected to drop from 31.6 percent in 1950 to roughly 21.4 percent in 2025.

Puerto Rico belongs to the group of youthful Climber countries in which both fertility-the number of children a woman would commonly bear in her lifetime--and mortality began to decline in the 1950s. In the 1950s, women commonly bore 5 children. By the early 1970s, however, 3 children was the norm. The fertility rate between 1980 and 1985 averaged 2.6 children per woman. This trend is expected to continue with fertility dropping further to 2.1 children per woman in the year 2000.

But Puerto Rico's population will not stabilize at this time even though couples will be bearing only enough children to reproduce themselves. Due to large numbers of those born in past high fertility periods in or entering their childbearing ages, the population is projected to grow from an estimated 3.4 million in 1985 to 4.2 million in the year 2000 and 5.2 million in 2025.

However, outmigration is an important factor when working with future population estimates for Puerto Rico. Puerto Rico has been growing at a relatively slow pace in recent years due partly to net outmigration. Puerto Rico's 1983 population, for example, was 3.3 million people. Between 1980 and 1983, Puerto Rico's population grew by 70,000 people. This change was made up of 229,000 births and 69,000 deaths, with a loss of 90,000 people through migration. The growth rate for the period 1980 to 1983 was a relatively low 2.2 percent, partly due to this high net outmigration.

Puerto Rico belongs to the group of youthful Climber countries in which both fertility and mortality began to decline in the 1950s.

URBAN GROWTH OUTPACES RURAL GROWTH

Urban and rural areas show many differences.The countryside is more youthful and households are larger than those found in the cities. In 1980, those under age 18 made up about 37 percent of the total urban population, but 42 percent of the rural population. Median age was younger in rural than urban areas--22.5 years and 25.6 years respectively. Household size was larger in rural areas with an average of 4 persons per household as compared to 3.5 persons in the cities. The cities accounted for about twice as many households as the countryside--599,535 and 268,162 households respectively in 1980.

Urban growth far surpassed rural growth between 1970 and 1980. In just 10 years, urban areas grew by about 36 percent while rural areas decreased in population by about 7 percent. This trend is expected to continue with the percentage of the population living in urban areas projected to grow from 67 percent of the total population in 1980 to 85 percent of the population in the year 2000.

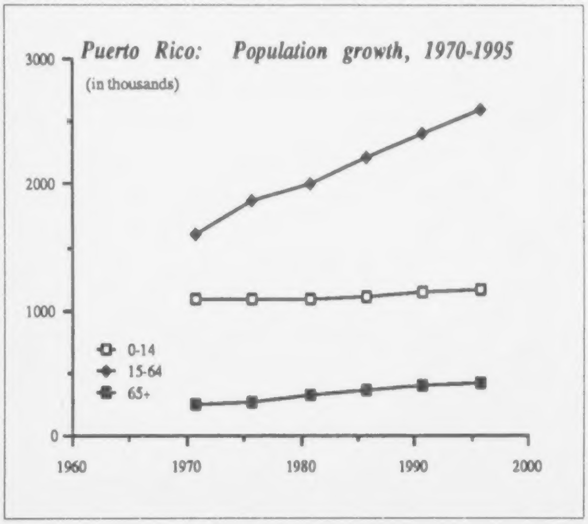
Nearly 2.6 million people lived in Puerto Rico's metropolitan areas in 1983, and 690,000 lived in nonmetro areas. Puerto Rico has four metropolitan statistical areas. The fastest growing in the early 1980s was Mayaguez on the western coast. It grew 4.8 percent between 1980 and 1983. Despite its high growth rate, however, Mayaguez has a total population of only 210,000.

Aguidilla grew only about 0.5 percent during the period to reach 153,500 people. The Arecibo Metropolitan Statistical Area (MSA) grew 1.6 percent to 162,900 people, and the largest MSA, Ponce, grew by 1.7 percent to 236,400 people.

The only Consolidated Metropolitan Statistical Area (CMSA) is San Juan-Caguas with a population of 1.8 million residents. The fastest growing areas within the San Juan Primary Metropolitan Statistical Area (PMSA) between 1980 and 1983 include the city of Loiza, up 17.8 percent to 24,600 people; Rio Grande , up 9 percent to 37,400 people; Florida, up 7.8 percent to 7,800 people; Humacao, up 6.4 percent to 49,200 people; Corozal, up 6.4 percent to 30,000 people; Toa Alta, up 5.5 percent to 33,700 people; Dorado, up 5.4 percent to 26,900 people; and Juncos, up 5.2 percent to 26,700 people.

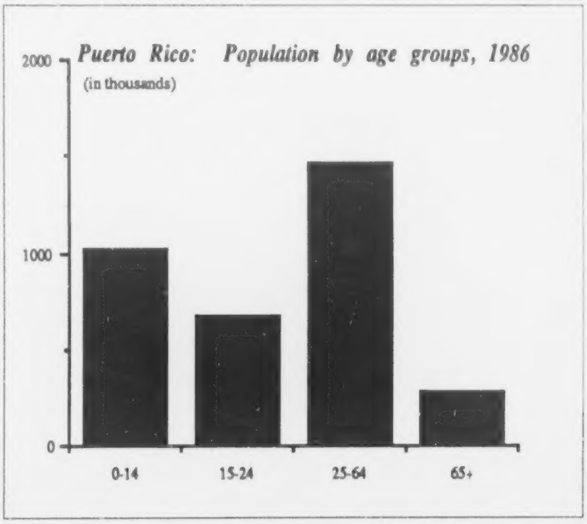
HOUSING SHOWS IMPROVEMENT

Multi-unit structures and mobile homes are increasingly housing Puerto Rico's growing population. Between 1970 and 1980, the number of households living in single-family homes grew by 33 percent while households in multi-unit structures increased 65 percent. The number of households living in mobile homes or trailers increased by over 100 percent. By 1980, about 16 percent of Puetro Rican homes had air conditioning.



Puerto Rico: Population growth, 1970-1995

(in thousands)



Puerto Rico: Population by age groups, 1986

(in thousands)

take a quick look at Puerto Rico

POPULATION

Total population (estimated 1986) | **3,304,316**
Rate of population growth (percent) | **0.81**
Lifetime births per woman (total fertility rate) | **2.14**
Birthrate (births per 1,000) | **18.74**
Death rate (deaths per 1,000) | **6.60**
Population under 15 (percent) | **29.9**
Population aged 65 plus (percent) | **8.5**
Median age | **25.5**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **51.3**
Number of persons per square kilometer | **388**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **74/71/78**
Infant mortality rate (number per 1,000 live births) | **18.1**
Population per physician/per nursing person | **907/256**
Daily calorie supply per capita (calories per person per day) | **NA**

Education

Percent literate (male/female, total percentage) | **89/87, 88**
Number enrolled in secondary education as percentage of age group (male/female) | **NA**
Number enrolled in higher education as percentage of population aged 20-24 | **NA**

Labor force

Percent of labor force in agriculture/industry/services | **5/18/77**
Percentage of population of working age (aged 15-64) | **61.6**
Age-dependency ratio | **61.2**

STATUS OF WOMEN

Labor force participation rate (percent) | **25**
Number enrolled in secondary education as percentage of age group | **NA**
Percent of women aged 15-49 using contraceptives | **NA**

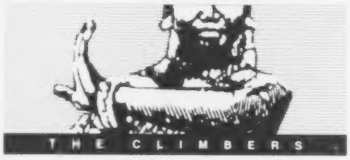
URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **71/29**
Population of major metropolitan areas
  city name | **San Juan 434,800**
  city name | **Ponce 236,400**
Average annual growth in cities of 20,000 or more (percent) | **2.6**
Average annual growth in rural areas (percent) | **-0.9**
Rate of total population growth (percent) | **0.8**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$5,573**

South Korea



South Korea was on the move in 1986, and 1987 looks even better. As the 50 percent stronger yen slowed the Japanese economy, South Korea took up a good part of the slack and enjoyed an 18 percent rise in exports in the first 8 months of 1986. Helped along by a devalued won, a 30 percent fall in oil imports in dollar terms, and low interest rates, South Korea earned its first-ever trade surplus. Experts say inflation-adjusted growth for 1986 should come to nearly 10 percent. Growth in 1987 will beat out all others in the region except that of Taiwan.

South Korea not only gained a tremendous competitive price advantage as the price of Japan's exports rose on world markets but will reap long-term investment rewards as Japan increasingly relocates manufacturing operations to Korean soil. Investment capital, new sources of employment, and the transfer of technologies are added coups.

All this goes hand in hand with government aims to build an economy based on emerging technologies. To speed its transfer to high technology, the government has targeted microelectronics, telecommunications, automobiles, pharmaceuticals, and new materials. However, Korean officials readily admit that Korea will need to import many of the necessary technologies from Japan, the U.S., or Western Europe.

Some of this good news is tempered by rising production costs for manufacturers using Japanese-supplied parts. In addition, sustaining such an economic boom depends to a great extent on the uncertain fate of oil prices, U.S.-South Korea trade relations, and the strength of the won. Trouble spots include North Korea's army--now the 7th largest in the world, possible protectionist backlash as Hyundai follows in Toyota's footsteps, and South Korea's unstable political climate.

But no one doubts that South Korea will enjoy vigorous economic growth in 1987. In general, South Koreans are certain to be better off in 1987, especially since inflation has so far been held in check.

> ***Past rises in the standard of living have been nothing short of astounding.***

SWIFTLY RISING STANDARD OF LIVING

Past rises in the standard of living have been nothing short of astounding. Per capita GNP soared from \$80 in 1962 to \$2300 in 1986, with the number of people below the poverty line decreasing from 40.9 percent of the population to 12.3 percent. Per capita GNP grew an average of 5.9 percent annually between 1982 and 1986. Private consumption grew at 5.5 percent annually during the same period. In addition, unequal income distribution is slowly giving way. The income share of the bottom 40 percent of households rose from 15.4 percent in 1978 to 17.5 percent in 1986.

Korea's health services have also shown

See the April 1982 issue of ***International Demographics*** *for in-depth consumer information about South Korea. Back issues are \$16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

marked improvement in the six short years since 1980. More Koreans are covered by medical insurance and industrial accident insurance than ever before. About 66 percent of all Koreans are covered by medical insurance, up from only 30 percent in 1980. Forty-one percent of industrial workers are now covered by industrial accident insurance, up from 26 percent in 1980. Population per physician has decreased from 1485 persons per physician in 1980 to 1275 persons per physician in 1986.

South Korea began implementing population policies in the early 1960s, when 5.4 lifetime births per woman were the norm. By 1986, lifetime births per woman had fallen to 2.4--near the 2.1 births per woman necessary for a population to just replace itself. South Korea's 1986 population of 41.3 million people gives the country one of the highest population densities in Asia, second only to Bangladesh.

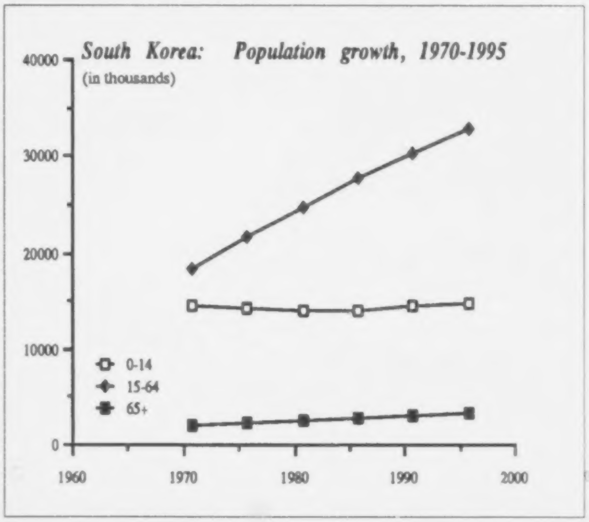
BABY BOOMERS FUEL POPULATION GROWTH AND CONSUMPTION

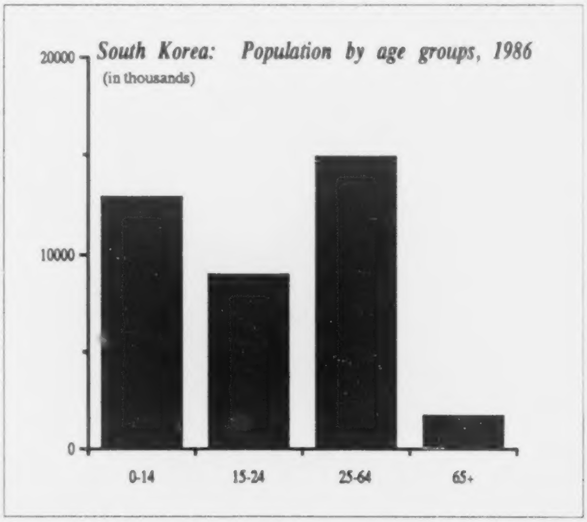
South Korea is dominated by an increasingly educated youth and a growing middle class. South Korea's demographic picture indicates expanding potential markets for overseas imports as the disproportionately large group of Korean baby boomers enter their prime spending years. Korean baby boomers number about 14 million, representing about 23 percent of the total population.

Baby boomers entering their primary child-bearing years will fuel continued population growth although the number of lifetime births per woman has already fallen to replacement level. Korea's 1986 population of about 60.9 million is expected to grow to 76.7 million by the year 2000 and 92.6 million by 2020.

Korea has a relatively young population, with a median age of just 23.2 years in 1986. About 32 percent of the population was under age 15 in 1985. The proportion of the population in their prime spending years (15 to 64) will increase from 63 percent of total population to 66 percent by the year 2000 and just over 69 percent by 2020.

The market potential for imports is expected to hold some promise as household income follows South Korea's rising economic fortune. However, it is important to note that spending patterns are influenced greatly by the Korean penchant for higher education. After the average monthly industrial wage of $325 is portioned out for necessities, the rest is often invested in education as only primary schooling is provided free of charge. With 80 percent of Koreans of secondary school age enrolled in secondary education, this trend is pervasive.





take a quick look at South Korea

POPULATION

Total population (estimated 1986) | **41,349,866**
Rate of population growth (percent) | **1.54**
Lifetime births per woman (total fertility rate) | **2.47**
Birthrate (births per 1,000) | **22.38**
Death rate (deaths per 1,000) | **6.21**
Population under 15 (percent) | **30.9**
Population aged 65 plus (percent) | **4.1**
Median age | **22.7**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **54.0**
Number of persons per square kilometer | **281**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **68/65/72**
Infant mortality rate (number per 1,000 live births) | **27.0**
Population per physician/per nursing person | **1,440/350**
Daily calorie supply per capita (calories per person per day) | **2,765**

Education

Percent literate (male/female, total percentage) | **95/81, 88**
Number enrolled in secondary education as percentage of age group (male/female) | **89/80**
Number enrolled in higher education as percentage of population aged 20-24 | **24**

Labor force

Percent of labor force in agriculture/industry/services | **36/27/37**
Percentage of population of working age (aged 15-64) | **65**
Age-dependency ratio | **60.2**

STATUS OF WOMEN

Labor force participation rate (percent) | **41**
Number enrolled in secondary education as percentage of age group | **80**
Percent of women aged 15-49 using contraceptives | **58**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **65/35**

Population of major metropolitan areas
- city name | **Seoul 8,366,756**
- city name | **Gyeongsangbug Do 4,962,375**

Average annual growth in cities of 20,000 or more (percent) | **4.2**

Average annual growth in rural areas (percent) | **-1.8**

Rate of total population growth (percent) | **1.5**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$2,300**

Taiwan

THE CLIMBERS

Next year Taiwan is to have one of Asia's fastest growing economies, according to area experts. Already, this year's growth is nearly twice last year's rate of 4.4 percent. Taiwan's recent growth spurt is due largely to the competitive price advantage its exports gained over Japanese exports. The yen's rapid rise against the dollar left Japanese goods more expensive on world markets. Taiwan took good advantage of this situation, with their overseas sales in the first nine months of 1986 rising 24 percent over last year's sales. Lower prices for oil and other raw materials helped.

Growth prospects may be threatened, however, by protectionist feeling in the U.S. The U.S. buys half of Taiwan's exports. In addition, Taiwan's high level of foreign-exchange reserves--about $40 billion--could not only raise American ire abroad but spur inflation at home.

No one doubts however that Taiwan's economic performance in 1987 will be vigorous. Taiwan's Council of Economic Planning and Development forecasts GNP growth of about 8 percent. And long-term growth will benefit from the increased employment, capital investment, and transfer of technologies as Japanese manufacturers move their production facilities abroad.

Taiwan too is poised to become more than somebody else's manufacturing site. Long a manufacturing colony of the U.S. and Japan, Taiwan is setting its sights on designing, producing, and marketing its own proprietary products.

AN EXPANDING MIDDLE-CLASS MARKET

Demographic projections for Taiwan indicate expanding markets for overseas imports as household income rises with Taiwan's economic fortune. Per capita GDP growth, which grew by an average of 7.6 percent between 1976 and 1986, far outstripped Taiwan's population growth which hovered around 2.2 percent in the 1970s and 1.9 percent in the early 1980s. And although Taiwan's population growth is slowing from 2.2 percent growth in 1971 to 1.9 percent in 1981, the population will continue to grow from its estimated 1986 population of 19.5 million people to 24.6 million by the year 2000 and 33.3 million by 2020.

> ***Every year the average Taiwanese gets richer, at a rate almost three times as fast as the average American.***

Taiwan's population is relatively young with one out of every two Taiwanese under age 24. However, with the number of lifetime births per woman projected to decrease from 2.3 in 1980 to 2.07 in 2005 (just under replacement level of 2.1 births per woman), the proportion of children (aged under 15) and youth (aged 15 to 24) in the total population will fall steeply by the year 2000. Both of these groups will increase in actual

*See the March 1984 issue of **International Demographics** for in-depth consumer information about Taiwan. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

numbers, although their share of the total population will fall, from 32 percent of the total population in 1980 to 23 percent of the total population in 2005 for children aged under 15, and from 22 percent of the total population in 1980 to 16.8 percent of the total population in 2005 for youth aged 15 to 24. Concurrently, those aged 60 and over will increase proportionately, from 6.8 percent of the total population in 1980 to 11.4 percent of the total population in 2005.

GETTING RICHER

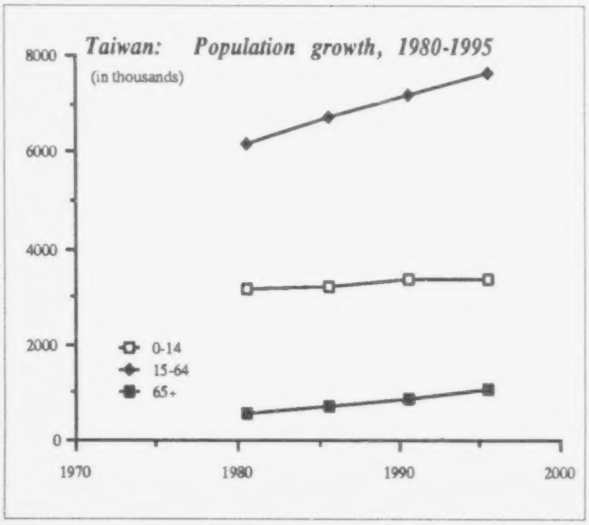
Every year the average Taiwanese gets richer, at a rate almost three times as fast as the average American. Even so, today's Taiwanese are a lot poorer than their American counterparts, with average incomes less than one-fifth of those in the U.S. But, if real incomes in the two countries continue to grow at their present rates of 2 percent a year for Americans and just over 6 percent a year for Taiwanese, by the year 2023 Taiwanese will be richer than Americans.

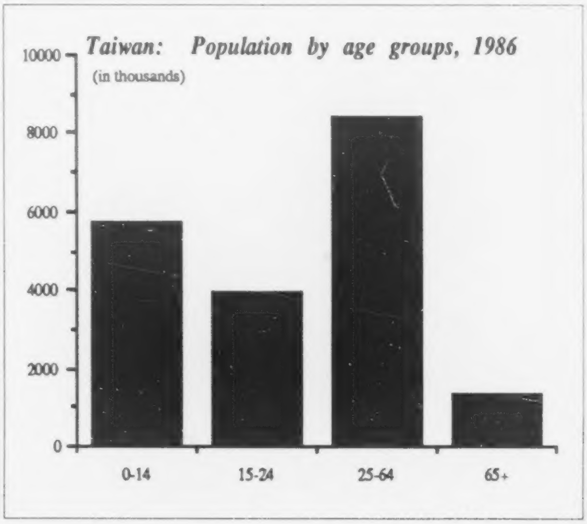
Part of the trend toward expanding household incomes comes from increased women's participation in the workforce. About 40 percent of Taiwanese women work--a rate comparable to West Germany's 39 percent, Korea's 42 percent and Singapore's 45 percent.

TAIWAN'S BRAIN DRAIN CREATES TALENT-POOL PROBLEM

The Taiwanese call them CEO's--Chinese Entrepreneurs Overseas. But what are they really? CEO's are the 50,000 nationals who went overseas for an education and never returned. The big reason they stay away is money--technical professionals abroad can earn much more than the $400 a month a Taiwanese electrical engineer makes at home.

Another reason is the country's lack of seats in its institutions of higher learning for Taiwan's well-schooled, ambitious youth--well-schooled because of the high value Chinese culture puts on education, ambitious because of the long-touted Chinese entrepreneurial spirit. At present, universities can only accommodate one-third of Taiwan's high school grads. And although great strides have been made in increased enrollment of children at older ages--59 percent of those aged 12 to 14 were enrolled in 1980, up from only 34 percent in 1966--college-age enrollments have remained fairly consistent, with 16 percent of those aged 18 to 24 in college in 1980, an increase of only 2 percent over 1966.





take a quick look at Taiwan

POPULATION

Total population (estimated 1986) | **19,525,242**
Rate of population growth (percent) | **1.258**
Lifetime births per woman (total fertility rate) | **1.84**
Birthrate (births per 1,000) | **17.61**
Death rate (deaths per 1,000) | **4.87**
Population under 15 (percent) | **29.0**
Population aged 65 plus (percent) | **5.1**
Median age | **NA**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **55.3**
Number of persons per square kilometer | **530**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **73/71/76**
Infant mortality rate (number per 1,000 live births) | **18.8**
Population per physician/per nursing person | **858/320**
Daily calorie supply per capita (calories per person per day) | **NA**

Education

Percent literate (male/female, total percentage) | **93/79, 86**
Number enrolled in secondary education as percentage of age group (male/female) | **NA**
Number enrolled in higher education as percentage of population aged 20-24 | **16**

Labor force

Percent of labor force in agriculture/industry/services | **18/33/49**
Percentage of population of working age (aged 15-64) | **65.9**
Age-dependency ratio | **NA**

STATUS OF WOMEN

Labor force participation rate (percent) | **40**
Number enrolled in secondary education as percentage of age group | **NA**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **65/35**

Population of major metropolitan areas

city name | **Taipei 2,388,300**

city name | **Kaohsiung 1,227,454**

Average annual growth in cities of 20,000 or more (percent) | **NA**

Average annual growth in rural areas (percent) | **NA**

Rate of total population growth (percent) | **1.23**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$2,360**

Thailand

THE CLIMBERS

Thailand benefited greatly in 1986 from the sudden rise in the yen, as did other Asian exporters as South Korea, Hong Kong, and Taiwan. Rising prices for Japanese goods on world markets gave Thailand's goods a welcome price advantage, especially during a time of lowered world prices for its leading exports of rice, rubber, maize, tapioca, shrimp, tin, sugar and textiles. Overseas sales of manufactured goods increased by 22 percent in the first six months of 1986, according to the Bank of Thailand. This manufactured-goods export boom along with falling oil prices and interest rates led to a 5 percent growth rate in 1986--one expected to be repeated in 1987.

Experts predict that as overseas demand for Thai exports drops, domestic urban demand will fill in. Home buying should surge as domestic interest rates fall. The chief economist of the Bangkok Bank sees housing construction as a shot in the arm for the Thai economy in 1987. But the recession in export prices has already hit Thailand's internal economy, causing, for example, a drop in car sales of 10 percent in the first four months of 1986.

A YOUNG EXPANDING MARKET

Thailand's population is predominantly young, with 35 percent of the population under age 15. Another 22 percent are between the ages of 15 and 24. This means that about one out of every two Thais are under age 24. Due to sustained high fertility in the 1960s and 1970s, the Thai population will remain basically young well into the 21st century.

The number of lifetime births per woman fell from 6.2 children per woman in the 1960s, to 4.6 children per woman in the 1970s, and about 3.5 children in the early 1980s. Although the average number of lifetime births per woman has fallen to a low of 2.5 in 1986, the population will continue to grow as the large number of persons born during past high fertility periods reach their childbearing ages.

> ***Despite a rapid decline in fertility and population growth rates, rapid urbanization and rural-to-urban migration present serious ongoing problems forThailand.***

Thailand's 1986 population of 52.7 million people is projected to grow to 65.5 million in the year 2000 and 81.5 million in 2020. Fertility is not expected to reach replacement level--the 2.1 children needed to stabilize population growth--until 2010.

RAPID URBANIZATION CAUSES PROBLEMS

Despite a rapid decline in fertility and population growth rates, rapid urbanization and rural-to-urban migration present serious ongoing problems for Thailand. Although Thailand is still mainly agricultural, with only 16 percent of Thais living in urban areas, the

*See the December 1983 issue of **International Demographics** for in-depth consumer information about Thailand. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

rate of urban growth outpaces that of population growth and the urban population tends to concentrate in the primate city of Bangkok--which now holds 62 percent of Thailand's urban population.

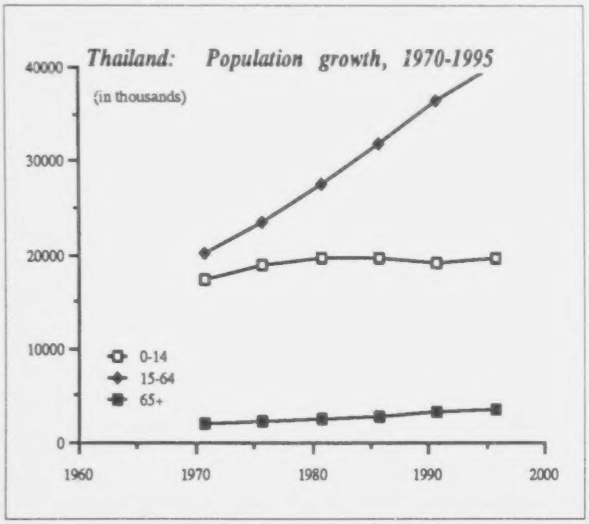
Young Thais migrate to urban areas in search of higher wages and a better standard of living than the countryside provides. Bangkok only houses about 10 percent of the total population, but it gobbles up one-third of the national income. Thirty-eight percent of urban dwellers in 1980 owned motorcycles (rural, 14.7 percent), 21.3 percent owned cars (rural, 1.1 percent), 67 percent owned black and white TVs (rural, 9.1 percent), 10.9 percent owned color TVs (rural, 0.4 percent), 56.4 percent owned sewing machines (rural, 18 percent), and 61.3 percent owned refrigerators (rural, 6.2 percent). Rural residents only beat out urban dwellers in bicycle ownership, with 45.1 percent owning bicycles in comparison to 38.7 percent of their urban counterparts. Per capita income in 1985 was about $860.

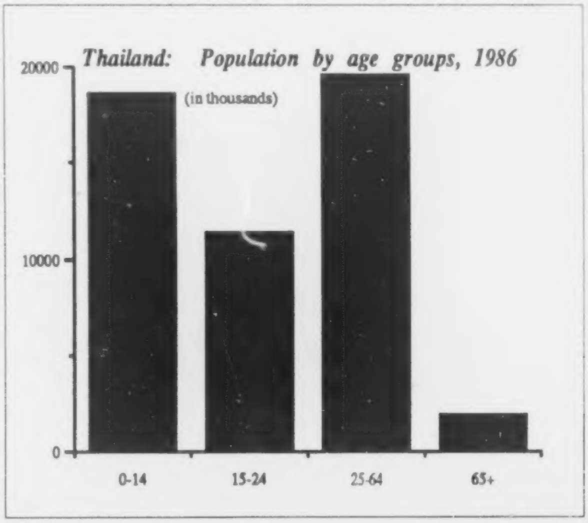
UNEMPLOYMENT LOW, BUT UNDEREMPLOYMENT RAMPANT

Forty-five percent of Thais were employed in the census year of 1980. Only 2 percent were looking for work, and 18 percent were waiting for seasonal agricultural work. Among women aged 11 and over, 57 percent were economically active, with 40 percent employed, 2 percent looking for work, and 16 percent waiting for seasonal agricultural work. In 1980, 72.6 percent of all Thai workers worked in agriculture. In Bangkok, 53 percent of the population was employed.

A more recent survey reports that 24.6 million persons were in the labor force, or 52 percent of the population in 1981. Nearly 99 percent of these people were employed, with only 1 percent unemployed. However, about 20 percent of all workers--about 5 million--are underemployed.

Women fare better than men in Bangkok's professional world. Twelve percent of women versus 7 percent of men are professionals. They also hold a greater proportion of clerical and related jobs, sales positions, and service jobs than men do.





take a quick look at Thailand

POPULATION

Total population (estimated 1986) | **52,699,238**
Rate of population growth (percent) | **1.80**
Lifetime births per woman (total fertility rate) | **2.48**
Birthrate (births per 1,000) | **25.49**
Death rate (deaths per 1,000) | **7.51**
Population under 15 (percent) | **35.0**
Population aged 65 plus (percent) | **3.8**
Median age | **20.7**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **52.2**
Number of persons per square kilometer | **100**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **61/67**
Infant mortality rate (number per 1,000 live births) | **54.1**
Population per physician/per nursing person | **6,770/2,140**
Daily calorie supply per capita (calories per person per day) | **2,330**

Education

Percent literate (male/female, total percentage) | **87/70, 79**
Number enrolled in secondary education as percentage of age group (male/female) | **30/27**
Number enrolled in higher education as percentage of population aged 20-24 | **22**

Labor force

Percent of labor force in agriculture/industry/services | **70/10/20**
Percentage of population of working age (aged 15-64) | **59**
Age-dependency ratio | **66.6**

STATUS OF WOMEN

Labor force participation rate (percent) | **64.6**
Number enrolled in secondary education as percentage of age group | **27**
Percent of women aged 15-49 using contraceptives | **63**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **16/84**
Population of major metropolitan areas
    city name | **Bangkok 4,999,515**
    city name | **Chiang Mai 97,839**
Average annual growth in cities of 20,000 or more (percent) | **3.8**
Average annual growth in rural areas (percent) | **1.8**
Rate of total population growth (percent) | **1.8**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$860**

Philippines

THE CLIMBERS

The Philippine economy reflects the uncertainty of the year-old Corazon Aquino government. Experts remain tentative about how well it will do in 1987. Pessimists look at two years of contraction totaling nearly 10 percent and predict more of the same. Optimists see a 6 percent expansion in both 1987 and 1988. But no one expects the sustained spectacular growth of the 1970s to repeat itself in the rest of the 1980s. And the Philippines still must cope with its most troublesome $26 billion overseas debt, which absorbs 40 percent of its export earnings.

The Philippines may have to settle for moderate growth or no growth at all for the next few years. World prices for its main exports--coconut oil, sugar, and metal ores--have fallen. New industry is badly needed. The government wants to spend heavily to spur the economy by building roads, bridges, schools, and irrigation systems to the tune of $190 million. Aquino's surprising success with the U.S. Congress and President Reagan will help--America will give $200 million in aid and the International Monetary Fund $800 million. That billion will no doubt help Aquino as she struggles with the economy, communist groups, and quarrelling ministers.

STANDARD OF LIVING NOSE DIVES

Despite the overall positive performance of the Philippine economy in the last decade--GDP grew at an annual rate of 2.3 percent, jumping from $18 billion to $26.6 billion between 1976 and 1986--recent years have not been good for the average Filipino. Due to declines in world prices for Philippine sugar and copper, the high price of servicing the overseas debt, a flight of capital, and a decline in both domestic and overseas investment, GDP growth, which averaged 5.1 precent annually during the 1960s and 6 percent annually during the 1970s, began its decline to 3.2 percent in 1983 and -5.5 in 1984.

At present, 60 percent of all Filipino households are considered below poverty level, or unable to meet basic needs.

In response, mean family income declined about 46 percent in real terms since 1981. Per capita GNP in 1986 was only $660, and, as in most Climber countries, income distribution remains uneven, with the highest 20 percent of households garnering about 50 percent of total income.

At present, 60 percent of all Filipino households are considered below poverty level, or unable to meet basic needs. Demographic pressures exacerbate this picture. And recent findings point to some disturbing demographic trends, not the least of which is a turnaround of what appeared to be a successful family planning program to slow population growth.

EIGHTH LARGEST POPULATION IN ASIA,17TH IN WORLD

Family planning, which increased substantially in the 1970s, stalled in the 1980s.

The 1983 National Demographic Survey found the National Population Program unable to cope with the increasing numbers of women entering their childbearing ages. As a result, desired changes in the reproductive behavior of Filipino couples have not taken place.

Rapid population growth has been an ongoing problem for the Philippines since post-war mortality rates decreased and the average number of lifetime births for Filipino women remained high. In 1975, the average number of lifetime births stood at 5.2. Fertility declined to 4.7 children per woman in 1986. However, this number of lifetime births per woman is still well above the 2.1 children per woman needed to simply replace the population.

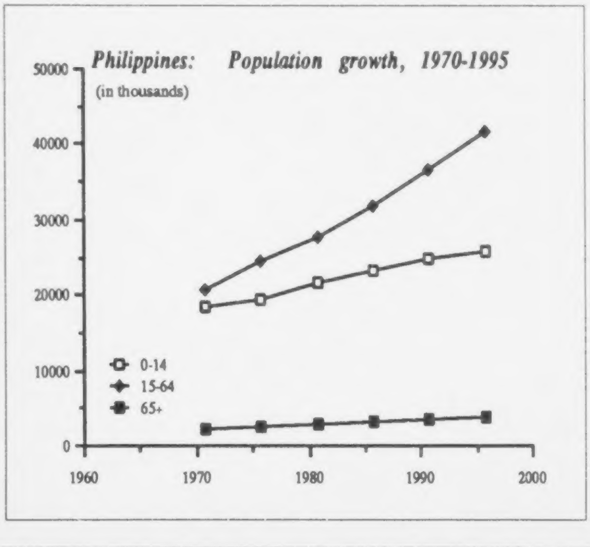
Because of continued high fertility, the population will continue to grow rapidly, from 59.8 million in 1986 to 85.5 million in the year 2000 and 107 million in 2010, placing unrelenting demographic pressures on the country. Fertility should decline to about 4.1 births per woman by the year 2000, but not enough to even come close to stabilizing the population.

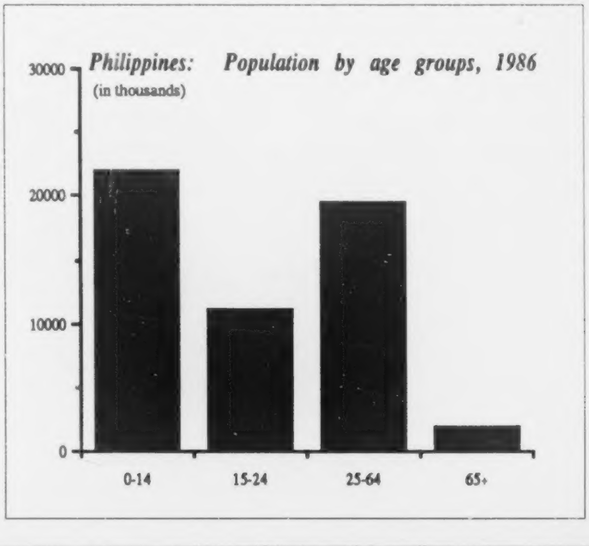
YOUTH ADD PRESSURE TO URBAN JOB MARKET AND HOUSING

A major source of concern is the pressure for urban jobs and housing as the disproportionately large group of Filipino youth enter their childbearing ages. At present about 41 percent of the population is under 15. More important for short-term job market expansion is the 20 percent of the total Filipino population aged 15-24.

Adequately employing the growing numbers of those just entering the labor force is a major task for the struggling Filipino economy. In just 14 years, the 30 million people over age 15--of which 19 million are in the labor force--will swell to about 47 million, with an estimated labor force of almost 32 million. Providing an additional 13 million jobs in a short 14-year span when the current 19 million workers are not yet adequately employed is an unreachable goal.

The effects are already showing up. Metro Manilla reported a 16.3 percent unemployment rate in 1986 with about 43 percent of those working considered underemployed. In addition, because of the high cost of land, low household incomes, and a scarcity of housing finance, at least two-thirds of all new housing in Manilla is illegal and uncontrolled, according to government estimates.





take a quick look at Philippines

POPULATION

Total population (estimated 1986) | **59,884,309**
Rate of population growth (percent) | **2.71**
Lifetime births per woman (total fertility rate) | **4.76**
Birthrate (births per 1,000) | **35.39**
Death rate (deaths per 1,000) | **7.08**
Population under 15 (percent) | **41.0**
Population aged 65 plus (percent) | **3.3**
Median age | **20.1**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **48.6**
Number of persons per square kilometer | **182**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **62/68**
Infant mortality rate (number per 1,000 live births) | **51.4**
Population per physician/per nursing person | **2,150/2,590**
Daily calorie supply per capita (calories per person per day) | **2,357**

Education

Percent literate (male/female, total percentage) | **84/81, 83**
Number enrolled in secondary education as percentage of age group (male/female) | **56/68**
Number enrolled in higher education as percentage of population aged 20-24 | **26**

Labor force

Percent of labor force in agriculture/industry/services | **52/16/33**
Percentage of population of working age (aged 15-64) | **56**
Age-dependency ratio | **71.5**

STATUS OF WOMEN

Labor force participation rate (percent) | **48**
Number enrolled in secondary education as percentage of age group | **68**
Percent of women aged 15-49 using contraceptives | **48**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **40/60**
Population of major metropolitan areas
city name | **Manila 1,630,500**
Average annual growth in cities of 20,000 or more (percent) | **3.7**
Average annual growth in rural areas (percent) | **1.7**
Rate of total population growth (percent) | **2.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$660**

Turkey

THE CLIMBERS

At today's rate of population growth, Turks will outnumber all other European nationalities in about five years. Only the USSR will have a larger population in the area. Despite the legalization of abortion in 1983, Turkish women commonly bear four children, still a hefty brood even considering that women in the early 1960s commonly bore six children.

All these young Turks are giving a government bent on industrialized prosperity the willies. So shocked were government leaders at the results of the 1980 census, that they called for a combination of public- and private-sector initiatives to promote family planning. Clinics are to be set up in rural areas (where fertility rates are the highest) to dispense contraceptives. And in a pilot project, 13 factories will employ a doctor and a nurse to provide family planning advice and supplies to workers, most of whom are women.

Turkish hopes for population control have a good chance of being realized. For one, they do not run counter to the aspirations of most women. In a recent survey, 80 percent said they wanted only three children. And most religious leaders have no objection to contraceptive measures other than sterilization and abortion. (IUDs and the pill are popular contraceptives.)

With these initiatives in mind, the U.S. Census Bureau's Center of International Research expects the average number of births per women in Turkey to fall to 3.6 births by 1990 and to about 3 births by the year 2000. The population, however, will continue to grow rapidly due to the large groups of youth born during periods of past high fertility entering their childbearing years. This population momentum will push Turkey's total population from its 1986 figure of 51.8 million people to 56.5 million in 1990 and 68. 5 million in the year 2000. By 2020, the population is expected to almost double.

> ***Such demographic pressure presents Turkey with the enormous task of providing jobs and housing for large groups of youth as they enter their reproductive years and form new families.***

DEMOGRAPHIC PRESSURES STRESS URBAN JOB MARKET AND HOUSING

Such demographic pressure presents Turkey with the enormous task of providing jobs and housing for large groups of youth as they enter their reproductive years and form new families. Unfortunately, this is a problem that won't go away quickly. Turkey's population under age 15 now stands at about 38 percent of the population. This proportion will only decrease slightly to 36 percent of the total population in 1990 and about 34 percent of the total population in the year 2000. Counting the proportion of the total population aged 15 to 24 in 1985 of 18.3 percent, those under 25 make up about 55 percent of the total population.

See the December 1982 issue of ***International Demographics*** *for in-depth consumer information about Turkey. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

These demands will be further complicated by the trend toward increased urbanization. At present, about 48 percent of Turkey's population live in urban areas and 52 percent live in rural areas. Urban areas will soon outdistance rural ones with 58 percent of the total Turkish population projected to live in urban areas by the year 2000. By 2020, seven out of ten Turks will live in cities.

RISING PURCHASING POWER

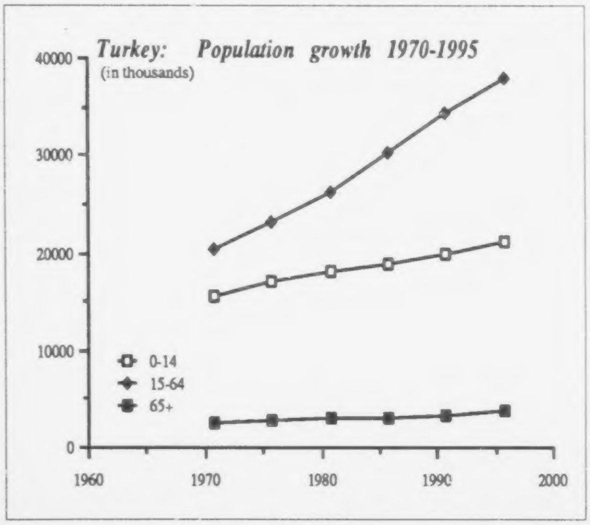
Turkey's GNP is growing at about 6 percent a year, with the industrial sector leading the growth. And although inflation runs at about 25 percent annually, the economy is growing in real terms. Both private consumption and domestic investment are increasing at about 2 percent a year. What all this adds up to is rising personal incomes and the prospect of greater demand for consumer goods.

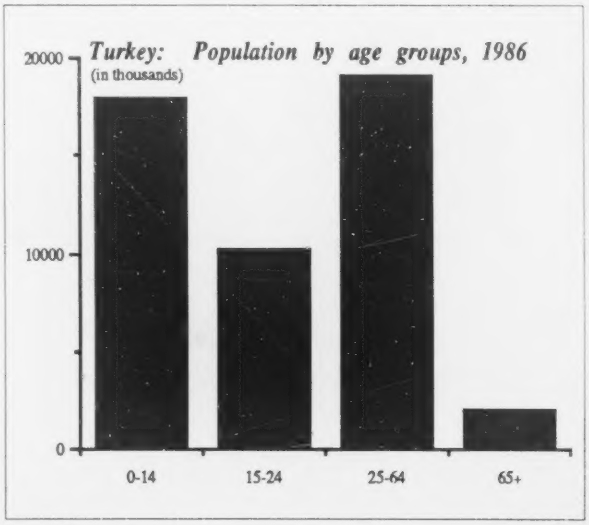
ONE OUT OF TWO TURKS ARE FARMERS

Turkey's total labor force numbered 17.9 million people in 1985. The number of those employed or looking for work is expected to increase from 18.6 million to about 21 million people in 1990.

In 1984, 60.3 percent of the Turkish labor force worked in agriculture; 12.2 percent worked in mining and manufacturing; and 3.8 percent worked in construction. About 24 percent of workers held jobs in the wholesale and retail trade; transport, storage, and communications; finance, insurance, real estate; and community, social, and personal services.

A large proportion of the labor force is made up of those under age 20--21.6 percent in 1984--due partly to the agricultural nature of work in Turkey. Women accounted for about 36 percent of the labor force in 1984. Women worked mainly in agriculture or home-based businesses.





take a quick look at Turkey

POPULATION

Total population (estimated 1986) | **51,818,056**
Rate of population growth (percent) | **2.25**
Lifetime births per woman (total fertility rate) | **4.04**
Birthrate (births per 1,000) | **31.52**
Death rate (deaths per 1,000) | **9.06**
Population under 15 (percent) | **38.0**
Population aged 65 plus (percent) | **4.3**
Median age | **21.1**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **48.4**
Number of persons per square kilometer | **64**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **61/64**
Infant mortality rate (number per 1,000 live births) | **88.9**
Population per physician/per nursing person | **1,500/1,240**
Daily calorie supply per capita (calories per person per day) | **3,100**

Education

Percent literate (male/female, total percentage) | **77/43, 60**
Number enrolled in secondary education as percentage of age group (male/female) | **57/28**
Number enrolled in higher education as percentage of population aged 20-24 | **7**

Labor force

Percent of labor force in agriculture/industry/services | **58/17/25**
Percentage of population of working age (aged 15-64) | **58**
Age-dependency ratio | **70.5**

STATUS OF WOMEN

Labor force participation rate (percent) | **49.4**
Number enrolled in secondary education as percentage of age group | **28**
Percent of women aged 15-49 using contraceptives | **38**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **48/51**

Population of major metropolitan areas

- city name | **Istanbul 2,772,708**
- city name | **Ankara 1,877,255**

Average annual growth in cities of 20,000 or more (percent) | **3.8**

Average annual growth in rural areas (percent) | **1.1**

Rate of total population growth (percent) | **2.25**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$1,160**

Venezuela

THE CLIMBERS

Despite economic stagnation, Venezuela counts many firsts in comparison to its Latin American counterparts. It continues to have the highest per capita GNP ($4,140 in 1982), the highest standard of living, and the highest per capita energy consumption. It also continues to be the second most important U.S. trading partner in Latin America after Mexico.

Venezuela is just coming out of a devastating economic crisis. Reduced oil income--down 30 percent since 1981--combined with debt-servicing and balance of payment problems were the major culprits in stalling economic growth. Government readjustment and austerity measures have helped bottom out the impact of reduced oil earnings. Oil earnings remain substantial, however, and Venezuela continues to be an important export market for the U.S.

ONE OF LATIN AMERICA'S FASTEST GROWING POPULATIONS

Between 1971 and 1981, only Guatemala, Honduras, Nicaragua, and Ecuador grew faster than Venezuela. During this period, the Venezuelan population growth rate was a surging 3.11 percent, down from the annual 3.61 percent of the period 1961 to 1971, and the incredible 3.72 percent a year during the 1950s.

Like most of its neighbors, Venezuela experienced rapid population growth in the 1950s due to high fertility and rapidly falling death rates. In the 1950s and '60s, the average Venezuelan woman bore 6.5 children. By 1985, the average number of lifetime births per woman had fallen to 4.1, though still way above the 2.1 children needed for a population to replace itself.

Urban growth outstripped population growth, averaging 5.8 percent annually during the period 1950 to 1980. By 1981, 84 percent of Venezuelans lived in urban areas.

> ***Venezuela has the highest per capita GNP, the highest standard of living, and the highest per capita energy consumption in Latin America.***

Venezuela's current population of 17.8 million people is projected to more than double by 2025, rising to 24.7 million by the year 2000 and to nearly 38 million by 2025. Because of Venezuela's youthful population (39 percent of the 1986 population is under age 15) great pressure is already being put on city job markets and housing for new families, as Venezuela's disproportionate numbers of youth enter childbearing ages. This trend will continue well into the 1990s.

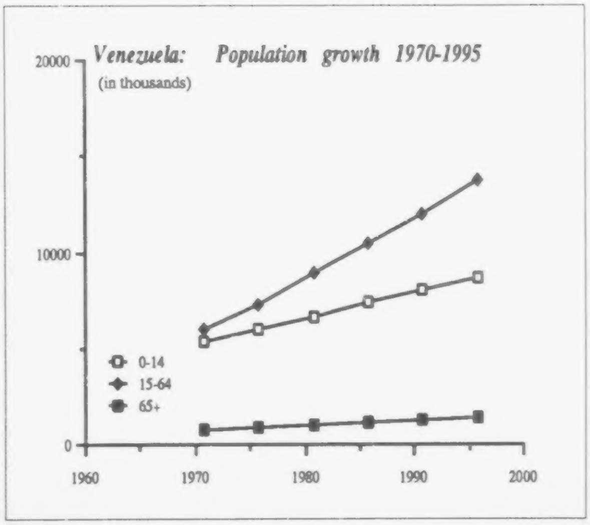
Increased joblessness affects primarily young men entering the workforce. The official unemployment rate for metropolitan Caracas was 6 percent in 1980 and 5.7 percent in 1981. Since then, unemployment has been on the rise. The unemployment rate for men age 15 to 24 in metropolitan Caracas reached more than 20 percent in 1983.

*See the June 1985 issue of **International Demographics** for in-depth consumer information about Venezuela. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

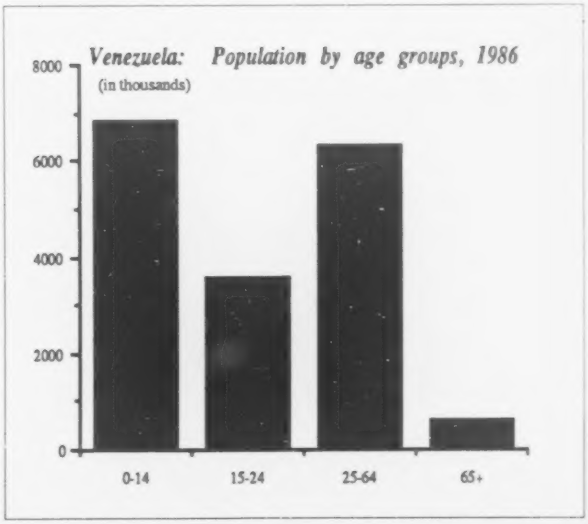
AN AMERICAN-ORIENTED LIFESTYLE

Relatively high incomes give Venezuelans access to an American life style. One in every eight Venezuelans owns a private car. In 1980, 94 percent of all homes had a radio and 79 percent a TV. And, in that same year, Venezuelans spent nearly $1.6 billion on tourism abroad.

Venezuelans have high incomes by Latin American standards. However, income inequality is great. Thirty-seven percent of families in metropolitan Caracas, 46 percent of those in urban Venezuela, and 80 percent in the rural areas live below the poverty level. In 1980, the median wage of an urban worker was $400 a month. Total household incomes amounted to $895 per month in metropolitan Caracas, $752 in urban Venezuela as a whole, and $376 in the rural areas.



Venezuela: Population growth 1970-1995
(in thousands)



Venezuela: Population by age groups, 1986
(in thousands)

take a quick look at Venezuela

POPULATION

Total population (estimated 1986) | **17,810,214**
Rate of population growth (percent) | **2.7**
Lifetime births per woman (total fertility rate) | **3.89**
Birthrate (births per 1,000) | **31.65**
Death rate (deaths per 1,000) | **5.6**
Population under 15 (percent) | **39.2**
Population aged 65 plus (percent) | **3.5**
Median age | **19.9**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **49.7**
Number of persons per square kilometer | **19**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **69/66/72**
Infant mortality rate (number per 1,000 live births) | **39.6**
Population per physician/per nursing person | **930/NA**
Daily calorie supply per capita (calories per person per day) | **2,451**

Education

Percent literate (male/female, total percentage) | **80/73, 77**
Number enrolled in secondary education as percentage of age group (male/female) | **41/38**
Number enrolled in higher education as percentage of population aged 20-24 | **22**

Labor force

Percent of labor force in agriculture/industry/services | **16/28/56**
Percentage of population of working age (aged 15-64) | **58**
Age-dependency ratio | **75.1**

STATUS OF WOMEN

Labor force participation rate (percent) | **24**
Number enrolled in secondary education as percentage of age group | **38**
Percent of women aged 15-49 using contraceptives | **49**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **84/16**

Population of major metropolitan areas

city name | **Caracas 2,944,000**

city name | **Maracaibo 901,000**

Average annual growth in cities of 20,000 or more (percent) | **3.5**

Average annual growth in rural areas (percent) | **-1.2**

Rate of total population growth (percent) | **2.7**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$4,140**

THE ULTIMATE CONSUMERS

Ultimate Consumers are called upon to make choices at every turn. Gone are the days when there was only one type of iron, washing machine, or coffee pot on the market. For the most part, the Ultimate Consumers have conquered the Three C's--the majority of their populations have cars, coolers (air conditioners), and color televisions. They are the producers of these goods and others that they use in their daily lives.

Present-day Ultimate Consumers like high-quality imports and, in some cases, are good markets for the machinery to produce these items or parts of some of the items. Price is important because the same countries that bombard the United States with low-priced imports--Brazil, South Korea, Taiwan, and India--also target the other Ultimate Consumers. But because these are countries where the consumers are well-educated, have relatively high disposable incomes, and have the necessities of their lives under control, they are attracted to imports. For example, stores in Paris that have "America" in their name, are especially appealing to the young.

These are the countries whose natural population growth is slowing, but because they are so wealthy by international standards, they attract thousands of immigrants every year--some legally and some illegally. Most of their birthrates are near replacement level, but even if birthrates dropped far below replacement level, the populations of Ultimate Consumer countries will continue to grow if they allow immigration.

THE HIGH AND THE LOW OF ULTIMATE CONSUMER COUNTRIES

Ultimate Consumer countries are not all alike, however. At the lower end are the Southern European countries ofItaly, Spain, Greece and Yugoslavia. These countries are still modernizing their industries and trying to raise standards of educational attainment. They are more dependent on agriculture than most other Ultimate Consumers, and they provide migrant workers who usually settle in other Ultimate Consumer countries. Emigrants from these countries work away from home mainly as unskilled laborers in order to send money to their families and provide them with a better lifestyle.

At the higher end of Ultimate Consumer countries, the proportion of those aged 65 and older is growing rapidly--although those of working age still dominate--causing a boom in the health care industry. The proportion of those aged 20 and under is decreasing slightly in most of these countries, reducing the number of entry-level workers and forcing colleges and universities to re-evaluate their policies. In some countries, more students are getting a chance to attend university. In other countries, attracting more foreign students is the answer to falling enrollments.

CHANGING FAMILY PATTERNS SET THE TRENDS

The trends that most affect consumer products in the Ultimate Consumer countries are those that reflect change in the way families live. And because women are pivotal to family life, these trends mirror changes in the lives of women.

As women take more control over their lives with the widespread availability of birth control, they have fewer children, are more likely to be in the labor force full or part-time, and have fewer ties to "kinder, kuche, and kirke"--children, kitchen, and church.

Educational attainment, for one, makes the difference. Women who have invested much of their young lives in gaining an education are less willing to leave the workforce for extended childrearing. Increasingly, women leave the workforce for shorter periods and juggle work and home. Families in which both parents are working and caring for children have a host of new needs. For them, time is money. This new type of family fuels the demand for fast foods, for convenience-oriented supermarkets and stores stocking everything from diapers to videos and pharmaceuticals, for house-cleaning services, and for child care.

Families expect to find banks, doctor's offices, and even beauty parlors open early and late. They visit dental, eye, and medical clinics that take walk-ins and deal with their needs efficiently and quickly. Even in a city like Paris where sitting in a sidewalk cafe for hours is a usual means of relaxation, *boulangeries* carry a variety of prepared foods like lasagna and stuffed peppers that can be taken home and popped into the oven by the busy householder.

Smaller families mean more disposable income per family member. With rising means, family members look for ways to express their own tastes. Stores selling Japanese bonsai and futons are found in all large cities in the Ultimate Consumer countries. Even once-unusual imports such as Scandinavian glass and Indian and Persian rugs are now considered the norm.

Households are being formed in increasing number and variety in Ultimate Consumer countries. With more control over how they live, people in the Ultimate Consumer countries have increasingly complex life courses. Men and women may find, for example, that they set up two or even three households in the course of their lives due to second or third marriages. Once-small families can become extended and larger when two divorced people marry and combine each of their own children under one roof. Businesses need to understand these new types of households in order to meet their changing needs.

WOMEN SET THE PACE OF CHANGE

What the feminist revolution did for changing the way women in the Ultimate Consumer countries see themselves, the jobs revolution will do for the way the rest of the world sees them. Women of the 1980s in Ultimate Consumer countries are increasingly choosing medicine, the law, banking, and insurance as their professions. And for the adventurous '80s woman, entrepreneurialism is a main attraction. Over 25 percent of small businesses in the U.S. are owned by women. Canadian women do even better, owning a third of all small Canadian businesses.

The demographic picture for Ultimate Consumer countries will further propel women--especially married women--into full-time work as the youthful labor pool shrinks due to dwindling birthrates. The better-educated will increasingly enter formerly male-dominated professions and the higher ranks of industry, especially the fast-growing information industry and financial services. Less-educated women will be a major source of cheap labor. But no matter where women work, the full-time, out-of-the-house commitments they make will further change family patterns and buying habits.

CHANGING TASTES AS ULTIMATE CONSUMERS AGE

As the Ultimate Consumers move into middle age, no matter what continent they live on, they worry more about their diets, their careers, and what they will leave behind.The children of the 1960s had little to protect. They wanted change. The parents of the 1980s have children, homes, careers, and for them, the status quo is fine. They look for safe investments, solid homes, cars with luxuries, vacations in unusual places, but ones where there are few surprises. They listen to music that is softer, and they favor movies about family life and middle-aged romance.

Argentina

THE ULTIMATE CONSUMERS

Argentina is a nation going backwards. The world's seventh wealthiest country in 1920, Argentina now doesn't even make the top 50. Average incomes in Argentina are now back to where they were in 1965 due to real GDP growth in Argentina falling in five of the last eight years. This compares to soaring real GDP per person in Asia's Climber countries of South Korea and Taiwan.

What happened? The boom created by European demand for Argentinean beef and grain in the late 19th century ended in the 1920s when Common Market agricultural subsidies sidelined the beef trade and made heavy cuts into grain exports. Profits from the good years were spent instead of invested or saved, and Argentina increasingly borrowed to subsidize the cities once agricultural exports declined. The result is a country which owes $50 billion to foreign creditors and in which per capita income has fallen by 16 percent since 1979.

ARGENTINIAN POPULATION GROWTH UNDER CONTROL

Although Argentina's economic picture is not pretty, its demographic situation is one of Latin America's best. A low population growth rate combined with abundant natural resources adds up to almost everyone at least eating well. Argentina's 1980 census-year population count was 27.9 million people, an increase of 17 percent from the 232.8 million people counted in 1970. The average annual rate of increase was 1.5 percent a year. With the exception of Uruguay, this was the lowest rate of increase in continental Latin America.

Slow growth is also in Argentina's future. Argentina's 1986 population of 30.5 million is projected to rise to 32.8 million by 1990 and 37.2 million by the year 2000. The Argentinean government is not pleased with these prospects, however, believing that a larger population is necessary to develop natural resources and a domestic market.

> ***Although Argentina's economic picture is not pretty, its demographic situation is one of Latin America's best.***

OLD FOR LATIN AMERICA, YOUNG FOR ULTIMATE CONSUMER COUNTRIES

Argentina's population is relatively old by Latin American standards, but is fairly young for an Ultimate Consumer country. Only 30 percent of Argentinians are under age 15, for example, as compared with 45 percent of Mexicans. Its median age of 27.4 years is not much younger than the median age of 30 in the U.S. Argentina's median age of 27.4 years in 1980 is projected to rise to 27.5 in the year 2000 and to 31.2 in 2020.

In 1980, 30 percent of the Argentinean population was aged 15 or under, 58 percent was aged 15 to 59, and 12 percent was over 60. As are many populations in the Ultimate Consumer countries, Argentina's population is aging. However, it is doing so at a much

See the May 1984 issue of ***International Demographics*** *for in-depth consumer information about Argentina. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

slower rate. By the year 2000, 13.2 percent of the population will be over 60 and by 2020 this proportion will rise to 14.7 percent of the total population.

TYPICAL NUCLEAR FAMILY DOMINATES

The 1980 census recorded 7.1 million Argentine households. The average number of persons per household was 3.9, compared to 2.7 in the U.S. Eleven percent of households had only one person, and 19 percent had two people, in contrast to 23 percent and 32 percent, respectively, in the U.S. Eighteen percent of households have 6 or more members, as opposed to only 5 percent of households in the U.S.

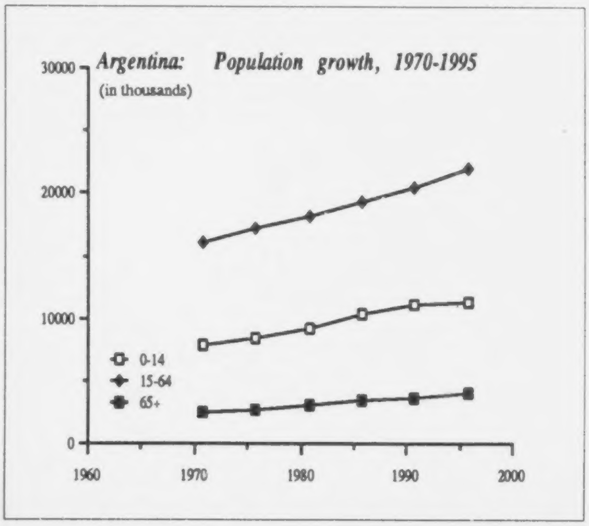
The majority of Argentine households in 1980 consisted of a married couple and children--2.9 million households. In 1980, 59 percent of all households had at least one parent with children and 24 percent were extended families, with relatives other than the parents and children also living under the same roof. Only 20 percent of households had no children.

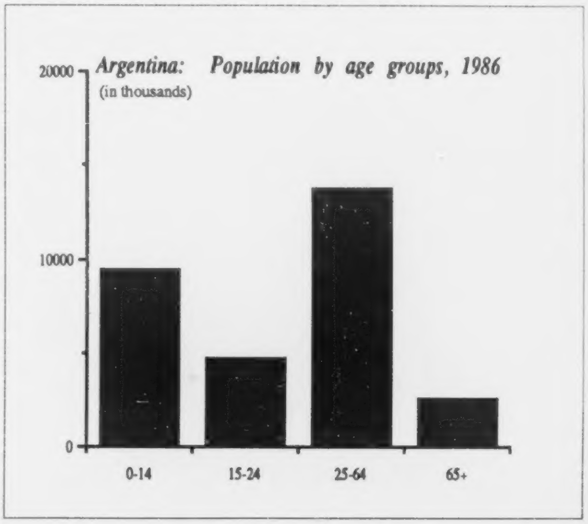
WOMEN KEEP UP WITH MEN IN EDUCATION

Argentina's high literacy rate, at over 90 percent, is one of Latin America's highest. And educational attainment is shared about equally between the sexes. Enrollment rates for males and females are almost identical in every age category.

Among children aged 5 to 9, 85 percent of both boys and girls in 1980 were enrolled in school. At 10 to 14 years of age, 88 percent of girls and 90 percent of boys were enrolled. About 40 percent of both boys and girls aged 15 to 19 were in school in 1980. Equality did not falter at the higher levels, either. About half of all students in higher education in 1980 were women.

Young women are slightly more likely than young men to complete advanced courses of study, however. Eighteen percent of women and 14 percent of men aged 20 to 24 had done so in 1980. Among persons aged 25 to 29 in 1980, 7 percent of women and 5 percent of men had a post-secondary degree.





take a quick look at Argentina

POPULATION

Total population (estimated 1986) | **30,750,929**
Rate of population growth (percent) | **1.3**
Lifetime births per woman (total fertility rate) | **2.94**
Birthrate (births per 1,000) | **21.30**
Death rate (deaths per 1,000) | **8.71**
Population under 15 (percent) | **30.2**
Population aged 65 plus (percent) | **8.7**
Median age | **27.3**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **46.8**
Number of persons per square kilometer | **11**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **70/66.8/73.5**
Infant mortality rate (number per 1,000 live births) | **34.4**
Population per physician/per nursing person | **640/610**
Daily calorie supply per capita (calories per person per day) | **3,159**

Education

Percent literate (male/female, total percentage) | **NA/NA, 82**
Number enrolled in secondary education as percentage of age group (male/female) | **54/63**
Number enrolled in higher education as percentage of population aged 20-24 | **25**

Labor force

Percent of labor force in agriculture/industry/services | **13/34/53**
Percentage of population of working age (aged 15-64) | **61**
Age-dependency ratio | **65.4**

STATUS OF WOMEN

Labor force participation rate (percent) | **27**
Number enrolled in secondary education as percentage of age group | **63**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **85/15**
Population of major metropolitan areas
city name | **Buenos Aires 9,927,404**
city name | **Rosario 954,608**
Average annual growth in cities of 20,000 or more (percent) | **2.0**
Average annual growth in rural areas (percent) | **-0.7**
Rate of total population growth (percent) | **1.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$2,230**

Australia

THE ULTIMATE CONSUMERS

Internal migration and immigration are critical factors in the continued population growth of Australia. While most Ultimate Consumer countries have growth rates of less than 1 percent, Australia's is at about 1.2 percent now and is expected to remain above 1 percent until the turn of the century. With a population density of only 2 persons per square kilometer, Australia has the room to grow. At the same time, it is economically stable enough to plan for future job creation and for the development of the infrastructure necessary to allow continued growth.

The fastest-growing populations live in the Northern Territory, Australian Capital Territory, Queensland, and Western Australia--in other words, the east and west coasts and at the seat of government.

While Australia has for many decades been an attractive destination for Europeans seeking new opportunities, it is now a land of opportunity for Asians. Between 1984 and 1985, immigration from China, Hong Kong, and India increased substantially. Asian immigrants accounted for nearly 46 percent of all settler arrivals in 1985.

Because Australia's immigrants are generally younger than its resident population, they contribute to a continued high birthrate. At 15.7 births per thousand, Australia has one of the highest birthrates among the Ultimate Consumer countries.

The marketing research and advertising industries are well-developed in Australia and supported by mapping and data companies that provide detailed information for marketing, direct mail, retailing, and consumer goods distribution.

AGE DISTRIBUTION

With a median age of 30 years, Australia is one of the youngest countries among the Ultimate Consumers. Nearly a quarter of its population is under age 15. The 15-to-24-year-old group accounts for nearly 17 percent of the population, a healthy pool from which to draw university students and labor force entrants. Thirty-five percent of its population is in the 29-to-44-year-old group, the primary group for settling in new households, buying furnishings, new homes, and other consumer goods.

> ***While Australia has for many decades been an attractive destination for Europeans seeking new opportunities, it is now a land of opportunity for Asians.***

Australians are concerned about the degree of youth joblessness in their country. About 85 percent of eligible boys and 88 percent of eligible girls are enrolled in secondary school. Now the schools focus primarily on college-oriented youth. Students who wish to learn a vocation have relied on an apprenticeship system. However, recently the apprenticeship system has fallen off and there is little to take its place. Recent reports have recommended that the high school curriculum

*See the March 1983 issue of **International Demographics** for in-depth consumer information about Australia. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

be broadened and that more opportunities be offered in vocational education, especially for young women.

As a result, there may be marketing opportunities for film strips, programmed learning materials, videotapes, and training films, as well as an interest in teacher-training for vocational education.

CONSUMPTION

Consumption in Australia is guided by several trends. A maturing population is one of them. Smaller households is another. As in some other developed countries, there is a growing concern over eating well and taking care of physical health. While consumer expenditures on food, rent, clothing and footwear, household appliances, and other household durables increased between 1980 and 1984, spending on alcoholic drinks and tobacco decreased.

Labor-saving devices are greatly in evidence. Ninety-eight percent of households own a refrigerator, 90 percent own a washing machine, 92 percent a vacuum cleaner. The majority of households have a telephone, a television, and radios are two and three to a household.

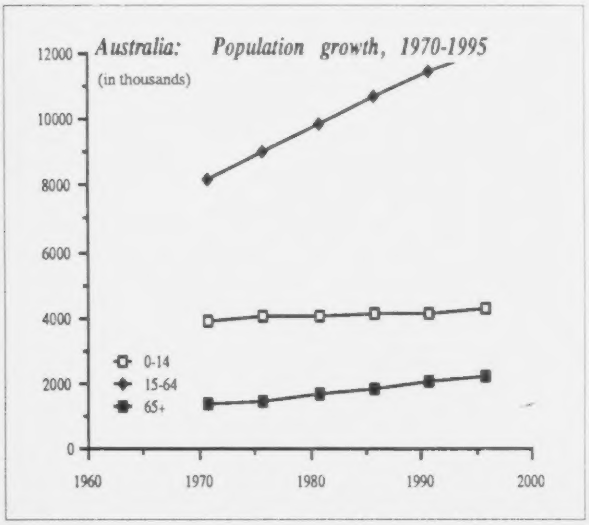
With an annual per capita GNP of $11,740, and 52 percent of its women in the labor force, Australia relies on many two-income households for a high standard of living. Workers in agriculture represent only 7 percent of the work force; services employ 61 percent of the work force.

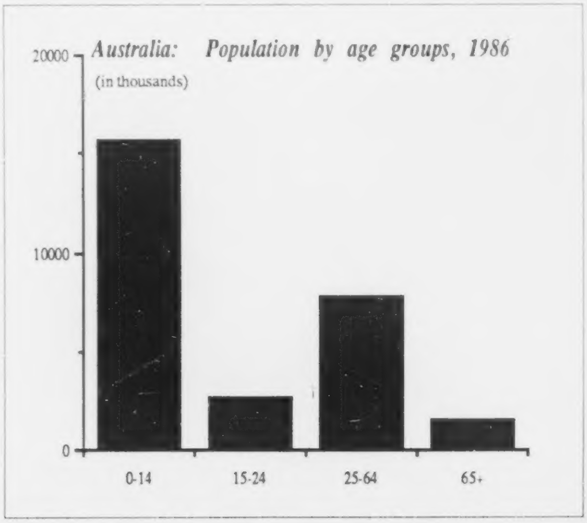
THE ACTIVE GRAYS

Despite Australia's extreme youth in comparison with many other Ultimate Consumers, its older population is an important influence on the marketplace. A quarter of all Australians are now age 50 and over, and one in eight is age 65 and older. Those age 50 and older spend more than $9 billion (Australian) annually on goods and services.

A 1985 Grey Growth Survey in Australia found that of those aged 50 to 64, more than 30 percent had incomes of at least $18,000 compared with the 1985 average household income of $20,500. However, only 4 percent of the retired over age 50 had incomes higher than $18,000.

Those in the 50-to-64-year-old group are more likely to purchase nonessential and luxury items than those in the 65 and older group because they are still in the workforce and are not worried about conserving their incomes.





take a quick look at Australia

POPULATION

Total population (estimated 1986) | **15,879,337**
Rate of population growth (percent) | **1.22**
Lifetime births per woman (total fertility rate) | **1.93**
Birthrate (births per 1,000) | **15.69**
Death rate (deaths per 1,000) | **7.45**
Population under 15 (percent) | **23.3**
Population aged 65 plus (percent) | **10.4**
Median age | **30.3**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **51.6**
Number of persons per square kilometer | **2**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **73/79**
Infant mortality rate (number per 1,000 live births) | **7.9**
Population per physician/per nursing person | **500/100**
Daily calorie supply per capita (calories per person per day) | **3,068**

Education

Percent literate (male/female, total percentage) | **NA**
Number enrolled in secondary education as percentage of age group (male/female) | **85/88**
Number enrolled in higher education as percentage of population aged 20-24 | **26**

Labor force

Percent of labor force in agriculture/industry/services | **7/32/61**
Percentage of population of working age (aged 15-64) | **66**
Age-dependency ratio | **51.3**

STATUS OF WOMEN

Labor force participation rate (percent) | **52**
Number enrolled in secondary education as percentage of age group | **88**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **87/13**

Population of major metropolitan areas

city name | **NA**

Average annual growth in cities of 20,000 or more (percent) | **1.4**

Average annual growth in rural areas (percent) | **0.5**

Rate of total population growth (percent) | **1.2**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$11,740**

Austria

THE ULTIMATE CONSUMERS

Austria is one of the few Western European countries that is not highly urbanized. In fact, only 56 percent of its population lives in urban areas. While this means that half the population can be reached by marketing in cities, the small size of the country, its national newspapers, and its accessible distribution systems mean that, in fact, most of the population is a likely target, whether in rural or urban areas.

BIRTHRATES ARE DOWN, BUT YOUTH HOLD THEIR OWN

While the birthrate in Austria has declined to 11.7 births per thousand, those aged 15 and under still make up nearly 18 percent of the population. Those aged 65 and over are about 14 percent of the population. The median age is 35.5 years. The total fertility rate (births per woman) is 1.48, well under the replacement level of 2.1, meaning that Austria's population is soon to follow the trend towards rapid aging set by most of the Western European countries. Austria's 1986 population of about 7.5 million people will remain relatively stable well into the 21st century.

As in Ireland, women are taking better advantage of opportunities in secondary education than men at the current time. While 71 percent of eligible young men are enrolled in secondary education, 75 percent of young women of the same age group are enrolled. About 25 percent of the population aged 20 to 24 is enrolled in higher education.

WORKING WOMEN ARE IMPORTANT TREND

For a country that is still relatively rural, women are an important part of the labor force. Women make up forty-one percent of the labor force, according to the most recent data from the OECD. This compares with 31 percent being reported by the International Labor Office in 1984. Fifty-five percent of women work, one of the highest rates outside of the Scandinavian countries.

> ***...Austria's population is soon to follow the trend towards rapid aging set by most of the Western European countries.***

Austria has a well-educated and well-trained labor force and the involvement of women in secondary education contributes to it. In 1986, the OECD reported that 8.5 percent of its labor force worked in agriculture, 37 percent in industry, and 54 percent in services. The rural areas provide winter and summer jobs in mountain and ski resorts and many women work in family-owned businesses.

Austria's workforce has weathered recessions fairly well and the unemployment rate has hovered around the 4 percent mark while some larger Europeans nations have faced rates as high as 10 to 13 percent. It has successfully used foreign workers when they

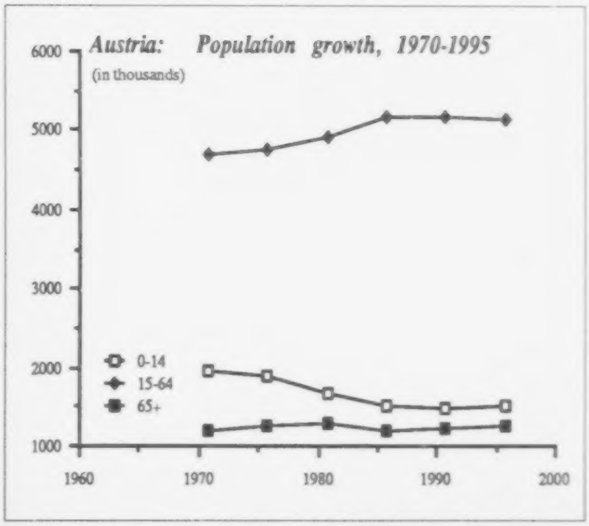
*See the July 1985 issue of **International Demographics** for in-depth consumer information about Austria. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

are needed to fill jobs, but has limited their entry during times of economic slowdown.

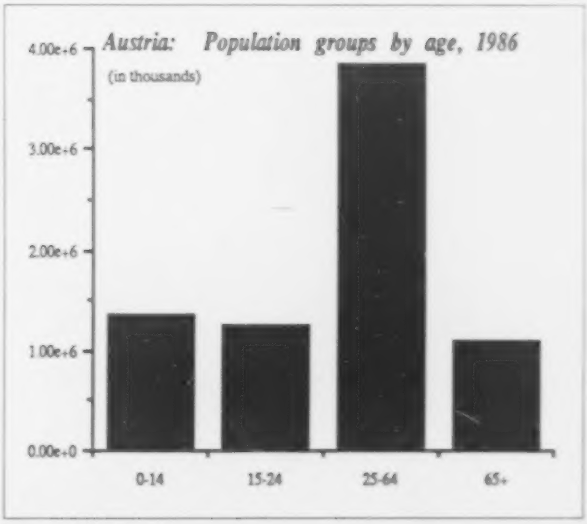
While its economy has been relatively stable, Austrians still have a modest standard of living. The per capita GNP is estimated at $9,140, the same range as the United Kingdom. Indeed, Austrians own passenger cars in relatively the same proportion as people in Belgium, The Netherlands, and Norway--at one car to approximately every three people.

HOUSEHOLD GROWTH CONTINUES

As in most industrialized nations, the number of households in Austria continues to grow, while the size of individual households is on the decline. Even though Austrians place a high value on children and family life, the divorce rate has continued to rise. Divorces peaked in 1982, however, and have dropped off slightly since then.


Austria: Population growth, 1970-1995

(in thousands)


Austria: Population groups by age, 1986

(in thousands)

take a quick look at Austria

POPULATION

Total population (estimated 1986) | **7,562,601**
Rate of population growth (percent) | **0.08**
Lifetime births per woman (total fertility rate) | **1.48**
Birthrate (births per 1,000) | **11.70**
Death rate (deaths per 1,000) | **11.73**
Population under 15 (percent) | **17.9**
Population aged 65 plus (percent) | **14.4**
Median age | **35.5**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **48.5**
Number of persons per square kilometer | **89**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71/79**
Infant mortality rate (number per 1,000 live births) | **9.3**
Population per physician/per nursing person | **580/170**
Daily calorie supply per capita (calories per person per day) | **3,479**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **71/75**
Number enrolled in higher education as percentage of population aged 20-24 | **25**

Labor force

Percent of labor force in agriculture/industry/services | **9/41/50**
Percentage of population of working age (aged 15-64) | **66**
Age-dependency ratio | **48.1**

STATUS OF WOMEN

Labor force participation rate (percent) | **50.8**
Number enrolled in secondary education as percentage of age group | **75**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **56/44**
Population of major metropolitan areas
city name | **Vienna 1,531,346**
city name | **Graz 243,166**
Average annual growth in cities of 20,000 or more (percent) | **0.5**
Average annual growth in rural areas (percent) | **-0.7**
Rate of total population growth (percent) | **0.08**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$9,140**

Belgium

THE ULTIMATE CONSUMERS

Unlike her tiny neighbor, Luxembourg, Belgium struggles like much of the rest of Europe with high unemployment rates as the industrial-based economy shifts to one based on services. Belgium is the middle sister of Benelux--with 10 million people compared to fewer than a half million in Luxembourg, and 14 million in The Netherlands.

Belgium provides a concentrated market. Its 9.9 million people are squeezed into only 30,518 square kilometers for the highest density in Europe, outside of The Netherlands--323 people per square kilometer. There are three cities with populations of more than 200,000--Ghent, Charleroi, and Liege.

All this should make Belgium an interesting market, but there is one big problem--language. The Belgians are officially bilingual--French and Flemish--and products and services need to be advertised and labelled in both languages. While that might seem straightforward--especially if a firm does business in The Netherlands and France as well--it isn't as simple as it sounds. Belgium is its own market, and simply translating advertising messages from the Dutch or the French campaigns will not do. Agencies that work in Belgium suggest that the problems aren't insurmountable, but that time and budgets both have to increase to cope with them.

While the language problems are difficult, the concentration of 10 million people is attractive. A liberal government policy gives Belgium the world's largest cable network with 70 percent of the 3.6 million households with television access to about two dozen channels in six languages including English.

CENTER OF ECONOMIC POWER IS SHIFTING

Belgium's urban character isn't about to change. But the economic center of the country is shifting and with it, the population concentration. In the southern part of the country, Wallonia (the French-speaking sector) has dominated the economy for more than a century with its strong coal mining and steelmaking industries. But other forms of energy, cheaper iron and steel imports from Japan and South Korea, and a slowdown in government subsidies have helped to cause unemployment in such cities as Charleroi. High-tech and nontraditional industries have sprouted in Flanders in the north, shifting the center of political and economic power to the Dutch-speaking area. Antwerp, the leading port city, is also in the north, adding to the strength of that area.

> ***Women play an important role in the labor force in Belgium. About 39 percent of the labor force are female and almost 50 percent of women work, similar to the figures in other well-developed countries.***

Along with the shift to the north has come a shift to services. Two-thirds of the labor

*See the September 1986 issue of **International Demographics** for in-depth consumer information about Belgium. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

force--about 2.4 million people--are employed in the services sector. The growth of that sector has stabilized in the past three years, but its growth throughout the 1970s was spectacular. In 1970, only 2 million people worked in services. Only about 3 percent of the population work in agriculture, leaving 31 percent employed in industry.

Women play an important role in the labor force in Belgium. About 39 percent of the labor force are female and almost 50 percent of women work, similar to the figures in other well-developed countries. The female percentage of the labor force is expected to continue its increase as the number of young women declines. The government has also raised the official retirement age for women from age 60 to 65.

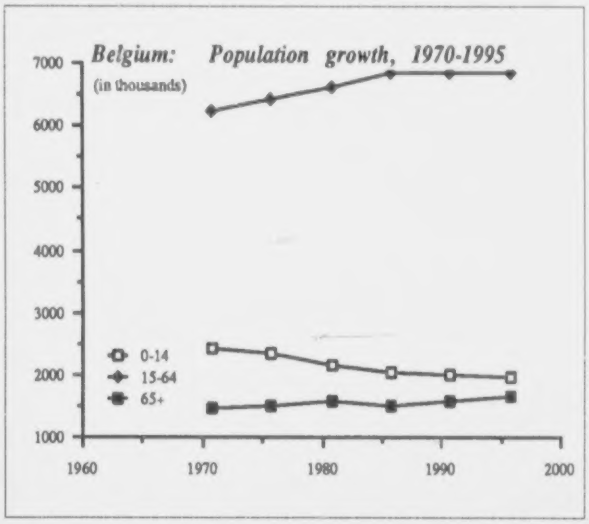
FOOD CONSUMPTION LEADS EXPENDITURES

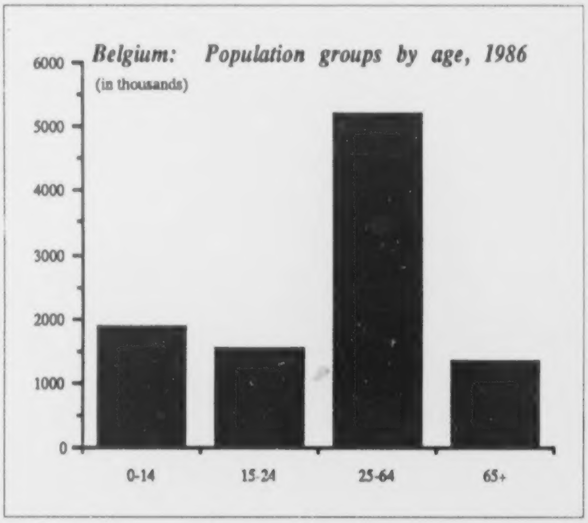
In most developed countries, one of three categories--food, housing, or transportation--leads expenditures. In Belgium, the leading expenditure is food. One reason is that Belgium's small agricultural base means it must import many foods from other European Community members. Food takes 18.6 percent of the family budget, followed by rent, heating, and light at 17.7 percent. Other large expenditures are for furniture and furnishings at 12.2 percent, and transportation and communication at 12.7 percent. Together beer and wine account for 63 percent of total consumer expenditures in the beverage category. Mineral water and carbonated soft drinks account for only about 22 percent.

While some spending has shifted as the age structure has changed in Belgium, overall the share of expenditures in various categories has remained remarkably stable. Thus, it is possible to look at distribution figures even from the late 1970s or early 1980s to get some indication of how Belgians spend their money. Even in the area of health care--where expenditures have soared in some countries--there has been little change. In 1979, Belgians spent 9 percent of their consumer dollars on health care. In 1983, they spent 9.2 percent of budgets on health care.

HOUSEHOLDS ARE SHRINKING

While the share of budgets that are spent in certain categories has remained relatively constant, household size is declining in Belgium because the population is aging, divorce has taken its toll, and families are having fewer children. The largest households are found in the northeast and in central Flanders, the core of the Ardennes, and the southern part of German-speaking Wallonia. In other communities--the suburbs of Ghent and Antwerp, southern Louvain and northern Namur, larger household sizes are attributed to the high proportion of young married couples. Singles account for 25 percent of the Belgian population.





take a quick look at Belgium

POPULATION

Total population (estimated 1986) | **9,865,969**
Rate of population growth (percent) | **0.07**
Lifetime births per woman (total fertility rate) | **1.56**
Birthrate (births per 1,000) | **11.98**
Death rate (deaths per 1,000) | **11.29**
Population under 15 (percent) | **18.6**
Population aged 65 plus (percent) | **13.9**
Median age | **35.3**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.7**
Number of persons per square kilometer | **324**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72/79**
Infant mortality rate (number per 1,000 live births) | **8.7**
Population per physician/per nursing person | **380/130**
Daily calorie supply per capita (calories per person per day) | **3,705**

Education

Percent literate (male/female, total percentage) | **97/97, 97**
Number enrolled in secondary education as percentage of age group (male/female) | **90/91**
Number enrolled in higher education as percentage of population aged 20-24 | **28**

Labor force

Percent of labor force in agriculture/industry/services | **3/31/66**
Percentage of population of working age (aged 15-64) | **67**
Age-dependency ratio | **47.0**

STATUS OF WOMEN

Labor force participation rate (percent) | **48.7**
Number enrolled in secondary education as percentage of age group | **91**
Percent of women aged 15-49 using contraceptives | **85**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **89/11**

Population of major metropolitan areas

city name | **Brussels 982,434**

city name | **Antwerp 488,425**

Average annual growth in cities of 20,000 or more (percent) | **0.1**

Average annual growth in rural areas (percent) | **-0.6**

Rate of total population growth (percent) | **0.07**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$8,610**

Canada

THE ULTIMATE CONSUMERS

With 25 million people spread over a land area of nearly 10 million square kilometers, Canada has only 3 people per square kilometer. Among Ultimate Consumer countries, only Australia has a lower population density. But, because the population is concentrated on the east and west coasts, marketers can reach more than 60 percent of Canadian population just by looking at the provinces of Quebec and Ontario--both on the East Coast. Add Alberta and British Columbia, and 82 percent of the population is covered.

A MINIATURE EUROPE

One of the ways Canada differs from other North American countries is that it has two official languages. Quebec is a French-speaking province, and indeed, the national government functions in two languages. In Quebec only about 13 percent of the population claims English as its mother tongue, while 83 percent claims French, and 5 percent claim some other language. In the other provinces and territories, the reverse is true. About 88 percent of the population claims English as its native language, only 4 percent claim French, and about 8 percent claim another language. Marketers must view Quebec as a separate market for product development and advertising messages.

THE CANADIAN BABY BOOM

The post-war baby boom has a substantial effect on Canada, but the age structure is also affected by immigration. Immigrants to Canada are younger, on the average, than natives. The effect is to keep the median age of Canadians about one year younger than U.S. residents. While Canada's policymakers worry about how they will provide health care to the elderly in the 21st century, they still have about 22 percent of the population under age 15. Only about 10 percent of the population is aged 65 and over, much lower than in many Ultimate Consumer countries. Because of international migration and the baby boom, primary growth is occurring among the age groups in which people are marrying, having families, and pursuing their careers.

> ***Because of its age and geography, Canada appears to be a good market for leisure-time and outdoor items.***

Montreal and Toronto, Canada's two largest cities, show great prosperity. Even though they are different markets because of the language differences they share certain similarities. Gentrification is apparent in older areas in the city as young professional singles and couples move back to the cities and revitalize them. Some of these people will no doubt remain in the city when they begin having children, but others will migrate toward the suburbs. Thus, the suburbs can expect to continue to be the scene of growth--particularly in household services and furnish-

*See the June 1982 issue of **International Demographics** for in-depth consumer information about Canada. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

ings as well as in items and activities for children and youth.

USE OF TIME

Because of its age and geography, Canada appears to be a good market for leisure-time and outdoor items. It is quite apparent who the most active people are by looking at time-use studies. Overall, for example, Canadians spend less time watching television than people in either the United States or Japan. Overall the Japanese spend about 24 hours a week and U. S. residents spend about 17 hours a week watching television. In Canada, the average is only 13 hours a week and that is dramatically affected by the 17 and 20 hours that 55-to-64 year olds and those aged 65 and over spend, respectively. The average 25-to-44-year-old spends only about 12 hours a week viewing television.

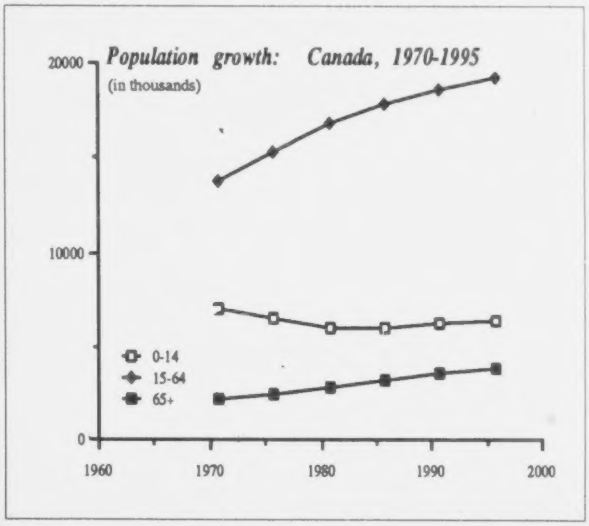
Not surprisingly, single people spend more time with their TV set than do couples with children, and employed women spend the least time of any group. Employed women spend only about 9 hours a week on TV; homemakers, 14 hours a week; and other women, 15 hours a week. Thus, television advertising time in Canada must be chosen carefully if the target is the employed female. Print and poster media may be more appropriate, especially when commuter patterns are considered.

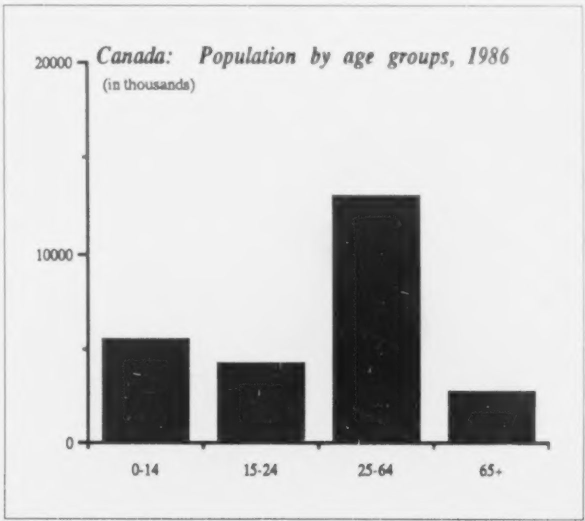
PROVINCIAL DIFFERENCES

There are substantial differences among lifestyles in Canada, depending on the province. For example, on Prince Edward Island, in Nova Scotia, and New Brunswick, the primary method of heating homes is oil or other liquid fuels, whereas in Manitoba, Saskatchewan, and Alberta, homes are more likely to be heated with piped gas.

In Ontario, Manitoba, Alberta, and British Columbia, more than a quarter of households do not have an electric washing machine. In Alberta, about 50 percent of households own an automatic dishwasher, whereas in Quebec and Ontario, only about a third of households have this appliance. Ownership of microwave ovens in Canada increased from only 10 percent of households in 1982 to 16 percent of households in 1984, but in Saskatchewan and Alberta, more than a quarter of households have a microwave.

Because of the provincial differences, marketers in Canada must make choices. On the question of microwaves, for example. Sales of microwave food products and accessories might be higher in Saskatchewan and Alberta because the percentage of households owning microwaves is much higher than in other provinces. However, because the numbers of households are so much smaller, the potential may be less in the long term. Nearly 33 percent of households in Alberta own a microwave, but that amounts to only about 271,000 households, whereas in Quebec where only 8.2 percent of households own a microwave, 499,000 households are involved.





take a quick look at Canada

POPULATION

Total population (estimated 1986) | **25,622,726**
Rate of population growth (percent) | **0.93**
Lifetime births per woman (total fertility rate) | **1.68**
Birthrate (births per 1,000) | **14.85**
Death rate (deaths per 1,000) | **7.13**
Population under 15 (percent) | **21.3**
Population aged 65 plus (percent) | **10.6**
Median age | **31.4**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **53.2**
Number of persons per square kilometer | **3**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **77/73/81**
Infant mortality rate (number per 1,000 live births) | **7.6**
Population per physician/per nursing person | **510/120**
Daily calorie supply per capita (calories per person per day) | **3,459**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **92/93**
Number enrolled in higher education as percentage of population aged 20-24 | **46.9**

Labor force

Percent of labor force in agriculture/industry/services | **5/26/69**
Percentage of population of working age (aged 15-64) | **69**
Age-dependency ratio | **47.3**

STATUS OF WOMEN

Labor force participation rate (percent) | **61.2**
Number enrolled in secondary education as percentage of age group | **93**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **76/24**
Population of major metropolitan areas
city name | **Toronto 600,000**
city name | **Montreal 1,000,000**
Average annual growth in cities of 20,000 or more (percent) | **1.1**
Average annual growth in rural areas (percent) | **0.9**
Rate of total population growth (percent) | **0.9**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$13,280**

Chile

THE ULTIMATE CONSUMERS

Chile's future looked bright in the late 1970s. Per capita GNP of $800 in 1975 had risen steadily to $2160 in 1982. But 1982 was not a good year for Chile. In that year, Chile's debt drama began--a drama she has not yet played out fully.

Chile is one of Latin America's most heavily indebted countries. It owed $21 billion in 1985. Only Brazil ($107 billion), Mexico ($99 billion), Argentina ($50.8 billion), and Venezuela ($33 billion) owed more. Debt-service payments for 1985 to 1987 totaled $9.2 billion.

Chile's debt crisis has not been good for consumption. Between 1980 and 1984, per capita consumption dropped 2.1 percent annually. Investment too was way down, falling 11 percent a year during the same period. And imports decreased by 4.2 percent, while exports rose only 0.7 percent a year. GDP too fell by 1.4 percent a year.

HYPERURBANIZED

Chile's economic downturn combined with overconcentration of its population in Santiago--Chile's largest city--has aggravated the country's problems. For Chile, the distribution of the population is more of a problem than the growth of the population. Chile, like Argentina, grew slowly at an average annual rate of 1.7 percent during the period 1965 to 1985. This compares to Argentina's 1.5 percent annual growth, Mexico's 2.9 percent annual growth, and Brazil's 2.4 percent annual growth.

But about 80 percent of Chileans now live in cities, up from 45 percent in 1950. Such rapid urban growth with extreme concentration of a country's wealth and population in a single city leads to strains on urban services, slum housing, and unemployment or underemployment as workers find limited access to formal-sector jobs.

Santiago is a prime example of Latin America's propensity for creating megacities. Santiago is now home to one out of every three Chileans. In 1980, 36.4 percent of Chile's population resided there. This compares to Buenos Aires' 35.2 percent share of Argentina's population, Lima-Callao's 26.6 percent of Peru's population, and Caracas' 19.6 percent of Venezuela's population. Santiago is Chile's only city with over 1 million people. The 1980 population was about 4 million people.

> ***For Chile, the distribution of the population is more of a problem than the growth of the population.***

Other important urban centers include Valparaiso (266,577 people), Concepcion (206,107), and Vina del Mar Valparaiso (290,014).

Chile's 1982 census counted 11.2 million people, up from 8.8 million in 1970.

CHILE'S POPULATION IS GROWING SLOWLY

Chile, like Argentina, Cuba, and Uruguay, experienced early and gradual declines in birth and death rates beginning in the 1950s and 1960s, resulting in low rates of population increase from the early 1970s to the present. This trend will continue with the growth rate slowing further from its current 1.68 percent to an estimated 1.41 percent in 1990 and 1.15 in the year 2000. Chile's 1986 population of 12.2 million will increase to 13 million by 1990 and about 15 million by the year 2000.

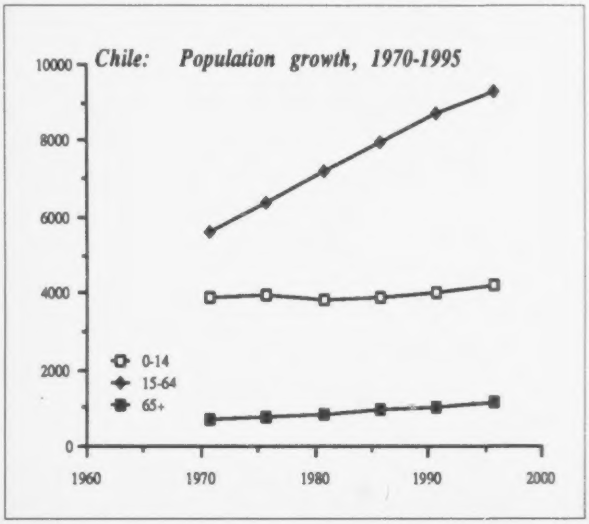
In the 1950s, Chilean women commonly bore five children. However during the late 1960s, the fertility rate began its steady decline from about four children per woman to 2.6 children per woman in the early 1980s. Chilean women now have on average fewer children than their Latin American counterparts. In all of Latin America, only Cuban women have fewer children, averaging two lifetime births.

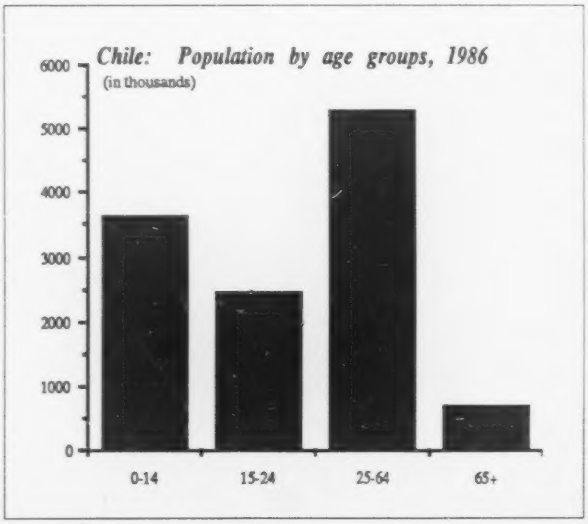
PROPORTION OF YOUTH DECLINING

In 1960, about 40 percent of Chileans were under age 15. However, falling birthrates reduced this proportion substantially. Chile now has a moderately young population with about 30.8 percent of its population under age 15. This trend is expected to continue with only 28 percent of the population aged under 15 by the year 2000.

At the other end, Chile will begin to gray slowly. The 63 percent of the total population between the ages of 15 and 64 will remain fairly stable, increasing to 65 percent by the year 2000, but the 5.7 percent of the total population aged over 65 will increase to 6.7 percent by the year 2000 and to 9.7 percent in 2020.

In 1980, 51.7 percent of all women fell between the ages of 15 and 49. This proportion is expected to remain constant, rising slightly to 52.5 percent of all women in 1990 and decreasing to 52. 4 percent in the year 2000.





take a quick look at Chile

POPULATION

Total population (estimated 1986) | **12,257,806**
Rate of population growth (percent) | **1.55**
Lifetime births per woman (total fertility rate) | **2.53**
Birthrate (births per 1,000) | **21.92**
Death rate (deaths per 1,000) | **6.41**
Population under 15 (percent) | **30.8**
Population aged 65 plus (percent) | **5.7**
Median age | **24.7**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **52.8**
Number of persons per square kilometer | **16**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71/67/75**
Infant mortality rate (number per 1,000 live births) | **19.5**
Population per physician/per nursing person | **950/NA**
Daily calorie supply per capita (calories per person per day) | **2,574**

Education

Percent literate (male/female, total percentage) | **90/82, 86**
Number enrolled in secondary education as percentage of age group (male/female) | **53/62**
Number enrolled in higher education as percentage of population aged 20-24 | **11**

Labor force

Percent of labor force in agriculture/industry/services | **16/25/59**
Percentage of population of working age (aged 15-64) | **63**
Age-dependency ratio | **55.9**

STATUS OF WOMEN

Labor force participation rate (percent) | **22**
Number enrolled in secondary education as percentage of age group | **62**
Percent of women aged 15-49 using contraceptives | **43**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **80/20**
Population of major metropolitan areas
city name | **Santiago 4,039,287**
city name | **Valparaiso 266,577**
Average annual growth in cities of 20,000 or more (percent) | **2.2**
Average annual growth in rural areas (percent) | **-1.3**
Rate of total population growth (percent) | **1.5**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$400**

East Germany

THE ULTIMATE CONSUMERS

In 1975, East and West Germany had the dubious distinction of being two of the few countries in the world experiencing natural decrease in their populations. The number of deaths in the populations of both countries was greater than the number of births by 50,000 to 60,000.

But, a mere 10 years later, these two nations couldn't be farther apart. West Germany is still losing ground with a projected decline from its present 61 million to 58 million by the year 2000, while East Germany has reversed its falling birthrate, increasing its annual number of births by one-third from 180,000 per year to 240,000 a year.

Why such a stunning reversal? In 1976, spurred by the vision of a country populated by old people and a declining population, the East German government implemented family policies to encourage births. This attempt to moderate the expected outcome of increasing proportions of old people in the total population has so far paid off. The average number of lifetime births per woman is expected to continue to rise from its present 1.7 children per woman to 1.9 children per woman by the year 2000. This level is close to the 2.1 children per couple needed in order for a population to just reproduce itself.

East Germany's estimated 1986 population of 16.6 million people will therefore remain relatively stable, decreasing only slightly to 16.5 million in the year 2000. Soon after the turn of the century, the growth rate will go from negative to positive--although at .03 percent, growth will be negligible.

MAKING MOTHERHOOD ATTRACTIVE

The question remains as to whether East Germany's experiment can be transferred to the countries of the rapidly aging industrialized world such as Japan, most of Western Europe, and the U.S. The 1976 measures taken by East Germany not only cost dearly, but gave mothers-to-be advantages most Western countries could not offer.

> ***In 1976, spurred by the vision of a country populated by old people and a declining population, the East German government implemented family policies to encourage births.***

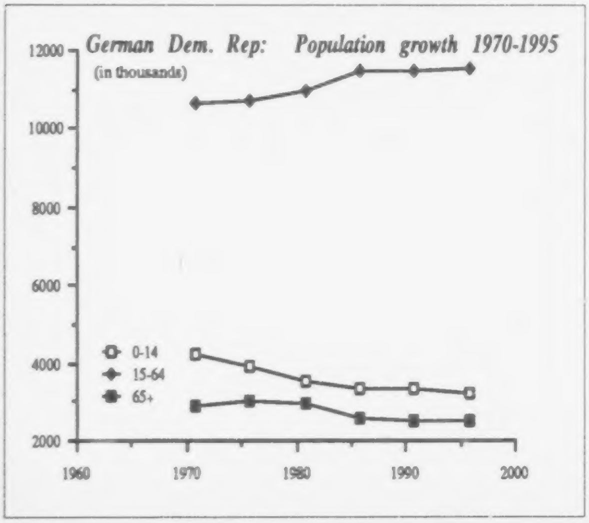
Incentives to give birth included parental leave for one year at 70 percent to 80 percent of salary, giving mothers one month's additional salary and an additional day's leave per month for each additional birth, a 40-hour work week instead of the regular 43 hours, priority allocation of housing based on the number of children in the household, and access to loans at marriage and at each birth to pay for household necessities. A big bonus was job security of the most supportive kind--no woman with a child under three can be fired from her job. Such incentives came on top of the standing availability of contraception and voluntary terminations of pregnancy.

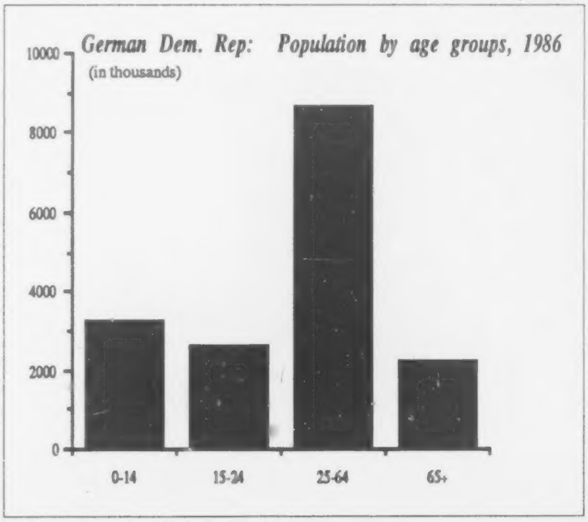
HEADING OFF OLD AGE

Increasing the birthrate was just what East Germany needed to stall population aging. In 1970, 15.5 percent of the population was 65 or over. By 1985, this proportion had dropped to 14 percent of the population. This proportion is expected to drop further to about 13.7 percent of the population in 1995, rising again to 14.6 percent by the year 2000. The proportion of those under age 15 will continue decreasing, however, from 18.5 percent of the total population in 1985 to about 17.4 percent of the population in the year 2000. The slack is expected to be taken up by those of working age (15 to 64 years). The proportion of those of working age is to increase from 67.5 percent of the total population in 1985 to 68 percent in the year 2000.

EAST GERMAN PER CAPITA GNP BEATS OUT ALL OTHERS IN SOVIET BLOC

Although GNP per capita dollar figures are difficult to come by for centrally planned economies, The World Bank recently released figures estimating GNP per capita for 1980 for eight Soviet Bloc countries. Not surprisingly, East Germany came out on top with per capita GNP of $5,910 in 1980--52 percent of U.S. per capita GNP for the same year, followed by Czechoslovakia, $4,740; Hungary, $4,390; USSR, $4,190; Poland, $3,730; Bulgaria, $3551; Romania, $2,680; and Yugoslavia, $2,620. East Germany's official GNP growth rate was 3.9 percent annually between 1977 and 1980, although The World Bank estimate counting hidden inflation is closer to 1 percent annually during the same period.





take a quick look at German Democratic Republic

POPULATION

Total population (estimated 1986) | **16,627,546**
Rate of population growth (percent) | **-0.12**
Lifetime births per woman (total fertility rate) | **1.75**
Birthrate (births per 1,000) | **13.60**
Death rate (deaths per 1,000) | **13.41**
Population under 15 (percent) | **19.2**
Population aged 65 plus (percent) | **13.5**
Median age | **35.2**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.7**
Number of persons per square kilometer | **154**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **69/75**
Infant mortality rate (number per 1,000 live births) | **11.0**
Population per physician/per nursing person | **490/NA**
Daily calorie supply per capita (calories per person per day) | **3,718**

Education

Percent literate (male/female, total percentage) | **NA**
Number enrolled in secondary education as percentage of age group (male/female) | **92/87**
Number enrolled in higher education as percentage of population aged 20-24 | **30**

Labor force

Percent of labor force in agriculture/industry/services | **11/50/39**
Percentage of population of working age (aged 15-64) | **66**
Age-dependency ratio | **48.1**

STATUS OF WOMEN

Labor force participation rate (percent) | **57**
Number enrolled in secondary education as percentage of age group | **87**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **78/22**

Population of major metropolitan areas

- city name | **East Berlin 1,173,000**
- city name | **Leipzig 557,900**

Average annual growth in cities of 20,000 or more (percent) | **0.3**

Average annual growth in rural areas (percent) | **-1.5**

Rate of total population growth (percent) | **-0.12**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$5,910**

Finland

THE ULTIMATE CONSUMERS

Doing business in Helsinki, the capital of Finland, requires advertising and labelling in Finnish. Right? Only partially. While the majority in Helsinki use Finnish, nearly 9 percent of the population are Swedish and the city has two official languages. Some cities in the same province as Helsinki have two official languages with Swedish-speaking majorities. Of the 4.9 million people who live in Finland, about 6 percent are Swedish-speaking, but in a few communities up to 90 percent of the population is Swedish speaking.

RURAL/URBAN SPLIT

People who live in the urban communities are more likely to be in smaller households, to be working, and to have a better education than those living in rural communities. Finland has a low population density, but 2.9 million of its residents live in urban communities, where the density is 82.6 people per square kilometer compared with only 7.3 per square kilometer in the rural communities where the other nearly 2 million people live. The urban/rural differences in Finland are important in some cases and the small rural communities play an important role in the lifestyle of the country.

While the urban communities have 59 percent of the population, they have nearly 64 percent of all households. In the urban areas, household size is about 2.4 persons. In the rural areas, it is about 2.9 persons. Nearly 48 percent of the population is economically active in the urban areas. In the rural areas, only 44 percent is economically active.

Urban communities claim only 59 percent of the population, but they claim 76 percent of the population that has attained the third level of education, and 62 percent of the population that has completed the second level of education.

> ***People who live in the urban communities are more likely to be in smaller households, to be working, and to have a better education than those living in rural communities.***

YOUTH PLAYS A ROLE

For a country with a relatively high median age--34.9 years--nearly a fifth of the Finnish population is still under age 15. Again, there are urban/rural age differences, but they are not too dramatic. In urban communities, 19 percent of the population is aged 15 and under; in rural communities it is fully 20 percent. Nearly 70 percent of the population in urban areas is of working age, while 11.7 percent is aged 65 and older. In rural communities, only 66 percent are in the working ages of 15 to 64, and 13.3 percent are age 65 and older.

In all of Finland, in 1984, there were 669,560 families with children under age 18.

See the February 1983 issue of ***International Demographics*** *for in-depth consumer information about Finland. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

Of those, 85 percent were married couples with children. This figure includes cohabitees with children. Thirteen percent of the families were mothers alone with children, and less than 2 percent were fathers alone with children. These figures are similar to those in other developed countries. Married couples with children have the highest number of children--an average of 1.7 per family in urban areas and 1.9 per family in rural areas, while fathers alone with children have the least--an average of 1.3 in both rural and urban municipalities.

Age-specific fertility rates in Finland confirm that women are waiting longer to have children. The birthrate for 20-to-24-year-olds in 1975 in Finland was 105.5 per 1,000 women. By 1984, it had dropped to 82 births per 1,000 women. For women aged 30 to 34, however, the birthrate has risen from 59.6 in 1975 to 78.3 in 1984. The rate is even rising slightly for older women. In 1975 women aged 40 to 44 had 5.9 births per thousand. By 1984, that rate had risen to 7.0 births.

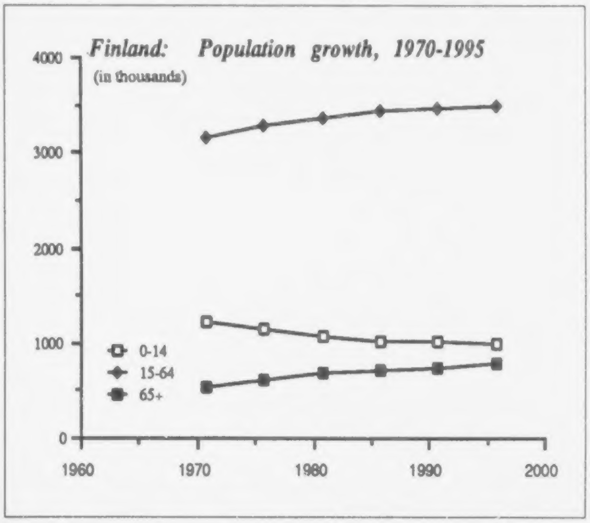
THE STATUS OF WOMEN

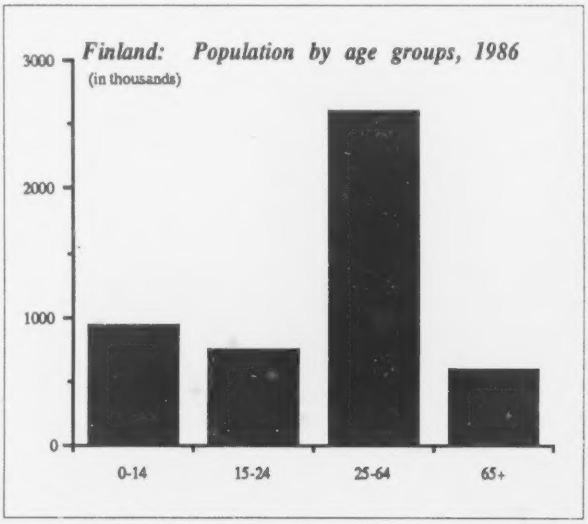
Nearly 21 percent of Finnish women have completed a third level of education--the equivalent of college in the U. S. . This is a slightly higher proportion than the population as a whole. Whereas only 14 percent of women aged 65 and older ever completed their education, 80 percent of 20 to 24 year-old women have done so. Of those, 92 percent completed the second level--high school--and 8 percent have completed college. Among 25-to-29-year-olds, 75 percent completed the second level and a quarter completed college. Thus, Finnish women are taking advantage of higher education in much the same way that women in other developing countries are.

Not surprisingly, given their high educational levels, Finnish women have the highest labor force participation rate in the world--nearly 73 percent of them work outside the home. Labor-saving devices are much in evidence in the country. Microwave ovens, which have not penetrated the European market the way they have the U. S. market, are in 3 percent of the households in Finland. The only country in Europe that has a higher ownership rate is the United Kingdom at 14 percent. Austria and West Germany match Finland with its 3 percent penetration, but indications are that the sale of labor-saving devices could be a growth area in Finland.

LEISURE IS A GROWTH INDUSTRY

One of the few categories of personal expenditure that is growing slightly in Finland is the area of recreation, entertainment, education, and cultural services. The Finns' high level of education, fairly stable economy, relatively high per capita GNP--$10,770--provide an environment in which people can spend time and money on their personal interests.


Finland: Population growth, 1970-1995


Finland: Population by age groups, 1986

take a quick look at Finland

POPULATION

Total population (estimated 1986) | **4,926,082**
Rate of population growth (percent) | **0.42**
Lifetime births per woman (total fertility rate) | **1.69**
Birthrate (births per 1,000) | **13.02**
Death rate (deaths per 1,000) | **9.54**
Population under 15 (percent) | **19.3**
Population aged 65 plus (percent) | **12.7**
Median age | **34.9**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **49.5**
Number of persons per square kilometer | **14**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71/79**
Infant mortality rate (number per 1,000 live births) | **6.5**
Population per physician/per nursing person | **460/100**
Daily calorie supply per capita (calories per person per day) | **3,077**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **93/100**
Number enrolled in higher education as percentage of population aged 20-24 | **31**

Labor force

Percent of labor force in agriculture/industry/services | **12/35/53**
Percentage of population of working age (aged 15-64) | **67**
Age-dependency ratio | **45.6**

STATUS OF WOMEN

Labor force participation rate (percent) | **72.8**
Number enrolled in secondary education as percentage of age group | **100**
Percent of women aged 15-49 using contraceptives | **80**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **59/41**
Population of major metropolitan areas
city name | **Helsinki 484,480**
city name | **Tampere 167,732**
Average annual growth in cities of 20,000 or more (percent) | **1.8**
Average annual growth in rural areas (percent) | **-2.3**
Rate of total population growth (percent) | **0.4**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$10,770**

France

THE ULTIMATE CONSUMERS

Despite failing to reach De Gaulle's goal of 100 million people, France is expected to stay a bit younger than its aging European neighbors of West Germany, the Scandinavian countries, Britain, Italy, and Holland. In the last 25 years, the French population has grown steadily, from about 45.6 million in 1960 to 54.6 million in 1985.

Due to falling fertility rates, however, the French population is expected to grow at a much slower rate in the next 25 years. Projected population for the year 2010 is about 57.8 million. French fertility rates fell below replacement level in the early 1970s and have hovered around 1.8 children per woman since that period. Given present socioeconomic and cultural conditions, the fertility rate is not expected to rise above 1.9 children per woman until after 2020.

THE END OF LIVING UNDER ONE ROOF

Living under one roof is passé with the French. Going it alone is a lifestyle increasingly taken up by older French women either by choice (greater availability of housing) or by default (children unwilling to share their homes).

Because of population aging and the trend toward families no longer living under the same roof with its unattached or widowed members, the number of one-person households in France jumped from 2.8 million in 1962 to 4.8 million in 1982. The rate at which persons sharing a dwelling fell between 1962 and 1982 is roughly comparable to the rate at which single-person households formed. By 1982, one in every four French households was a one-person household. In two-thirds of these households, the one person was a woman.

Between 1962 and 1982, the number of households in France grew 10.4 percent--twice as rapidly as the population--with average household size dropping from 3.1 members in 1962 to 2.7 members in 1982.

> ***Large French families have almost disappeared, replaced instead by the typical nuclear family of a couple and two children.***

Although couples are being formed somewhat later than those in 1962, living as a couple is still the normal pattern for the vast majority of French from early adulthood on. Large families have almost disappeared, replaced instead by the typical nuclear family of a couple and two children.

Due to earlier retirement, the number of retired couples almost doubled between 1962 and 1982. At present, one in five couples is a retired couple. This trend is particularly important for marketers. Couples retired before the onset of old age present marketers with a new market segment. With time on their hands and the energy to enjoy it, young retirees enter a new stage of life with its own special demands for goods and services.

See the September 1984 issue of ***International Demographics*** *for in-depth consumer information about France. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

STATUS OF FRENCH WOMEN ON THE RISE

With younger people staying in school longer and older people retiring earlier, French women have gone to work in droves. Women now make up 41 percent of the French workforce, up from 35 percent of the workforce ince, up from 35 percent of the work force in 1962. About 9.6 million women are in the labor force.

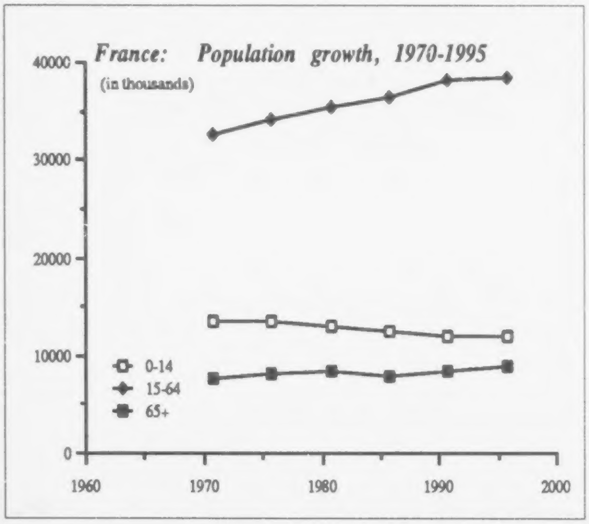
Once working, French women are more likely than their EC counterparts to stay that way after marriage. Usually EC women workers break for childrearing, with the employment activity rate for women in the 20-to-25 age group dropping steadily until the 30-to-35 age group is reached. After marriage, the activity rate among women in the Com-munity drops from an average of 48 percent to 42 percent, as compared to a rise in the French activity rate from 48 percent to 50 percent. About six out of ten women between the ages of 19 and 45 work.

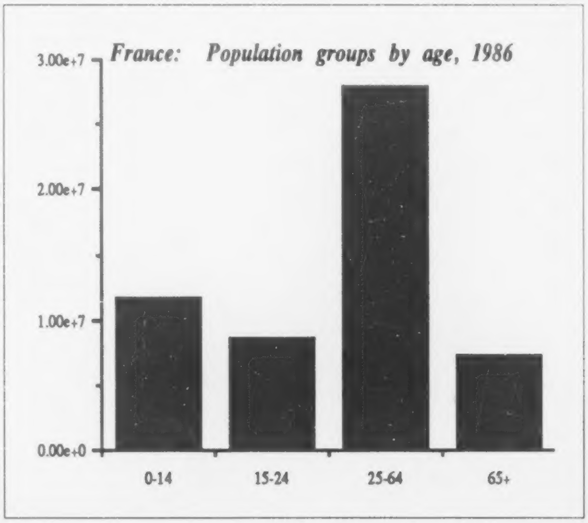
supportive of the liberated woman than other Europeans, according to a recent EC survey. Except for Danes and the Dutch, a greater percentage of the French expressed equal confidence in women carrying out traditional male activities such as doctoring and holding a government post than any other EC nationality. And 40 percent of the French polled felt that strict equality in the sharing of household duties was the best division of roles in the family. This percentage was bested only by Danes (46 percent) and Greeks (51 percent).

FRANCE'S NEW HIGH-TECH MENTALITY

Who would ever think that using your telephone was a revolutionary act? But, in France, where *Minitel* videotex terminals connect over a million French households to a nationwide electronic telephone directory, the communications revolution is just one call away. The *Minitel* video screens are linked to information banks, allowing users not only to call up telephone numbers but to read the morning newspaper and want ads, to bank, and to shop. With 1.4 million terminals in use in households across France, France's Teletel--the national videotex system operated by the state-owned monopoly *Postes Telephones* and Telecommunications (PTT)--is the world's first thriving mass-consumer videotex system.

France's love affair with the *Minitel* is forging a new French mentality. A recent study found that two-thirds of the French polled were enthusiastic about or interested in computers. Armchair banking and shopping through Minitel and smart cards is a national craze. Minitel's super-successful le Kiosque , which allows users to read news synopses, go through want ads, and communicate with each other, has been hailed as a friend to the lonely and decried as a vehicle for further isolation and alienation.





take a quick look at France

POPULATION

Total population (estimated 1986) | **55,387,361**
Rate of population growth (percent) | **0.38**
Lifetime births per woman (total fertility rate) | **1.82**
Birthrate (births per 1,000) | **13.86**
Death rate (deaths per 1,000) | **10.06**
Population under 15 (percent) | **21.0**
Population aged 65 plus (percent) | **13.1**
Median age | **33.7**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.6**
Number of persons per square kilometer | **100**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71/79**
Infant mortality rate (number per 1,000 live births) | **9.6**
Population per physician/per nursing person | **460/110**
Daily calorie supply per capita (calories per person per day) | **3,514**

Education

Percent literate (male/female, total percentage) | **97/97, 97**
Number enrolled in secondary education as percentage of age group (male/female) | **77/93**
Number enrolled in higher education as percentage of population aged 20-24 | **28**

Labor force

Percent of labor force in agriculture/industry/services | **9/35/56**
Percentage of population of working age (aged 15-64) | **66**
Age-dependency ratio | **49.9**

STATUS OF WOMEN

Labor force participation rate (percent) | **52**
Number enrolled in secondary education as percentage of age group | **93**
Percent of women aged 15-49 using contraceptives | **79**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **77/23**
Population of major metropolitan areas
city name | **Paris 2,299,830**
city name | **Marseilles 908,600**
Average annual growth in cities of 20,000 or more (percent) | **0.8**
Average annual growth in rural areas (percent) | **-1.4**
Rate of total population growth (percent) | **0.38**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$9,760**

Greece

THE ULTIMATE CONSUMERS

Greece is at the bottom of the ladder of Ultimate Consumer countries, but it is slowly wending its way upward. By median age, birthrate, and rate of population growth, it should be a country that is nearing the Rocking Chair stage, but by economic status, education, urbanization, and industrial development, it has just left the Climber cluster.

As a result, Greece's entry into the European Community has not been easy. Despite the fact that it has strong agricultural and fishing industries that employ about 30 percent of the population, for example, Greece needs to modernize and update its food processing and packaging facilities to meet EC standards.

ELDERLY TO INCREASE SLOWLY

Of Greece's nearly 10 million people, only a fifth are age 15 and under. Thirteen percent of the population are age 65 and older. The median age in Greece is about 34 years. The age 65 and older group is projected to increase slowly--from 13.4 percent of the population in 1990 to 16.1 percent of the population by the turn of the century. The group under age 15 will be fairly stable at 20 percent of the population through the year 2000, given current expected trends in births and deaths. Greece should have no problems supplying new entrants for the labor force from now through the year 2000, even though its birthrate is only 11.8 and its annual population growth rate less than 1 percent.

WOMEN HAVE A LONG WAY TO GO

The role of women is important in Greece because it accounts for some of the factors that have kept Greece from full modernization. Among women in the appropriate age groups in Greece, only 76 percent are enrolled in secondary school, compared to 86 percent of boys. In total, only 17 percent of the population aged 20 to 24 are enrolled in college. Women account for only 35 percent of the labor force. Literacy figures show that only about 76 percent of women are literate, compared with 93 percent of men.

> ***Opportunities for employment are limited for women, in part because the services industry has been slow to grow in Greece.***

Opportunities for employment are limited for women, in part because the services industry has been slow to grow in Greece. Only 40 percent of the workforce find employment in services, where women have traditionally found the most opportunity. Twenty-nine percent of the Greek work force are in industry. The other 31 percent--the highest share among all the Ultimate Consumer countries--are employed in agriculture. The high level of employment in agriculture is one factor in the low annual GNP per capita of only $3,770. Unskilled workers--the ones usually found in agriculture--earn, on average, only one-quarter as much as a secretary or one-third as much as a bank teller.

Women are part of the labor force in nearly equal proportions in rural and urban areas. The difference is in the kind of work they do. In Greece as a whole, 52 percent of working women are salaried employees, 28 percent are non-paid family members, and less than 1 percent are employers. In urban areas, 4 percent are employers, 66 percent are salaried employees, and only 2 percent are considered non-paid family members.

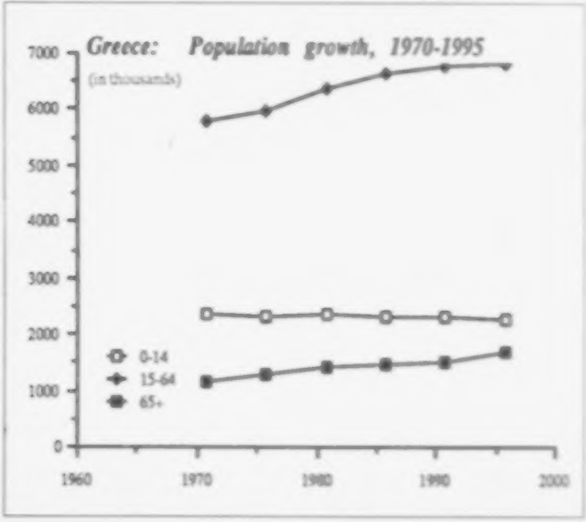
ONLY 51 PERCENT OF THE POPULATION IS MARRIED

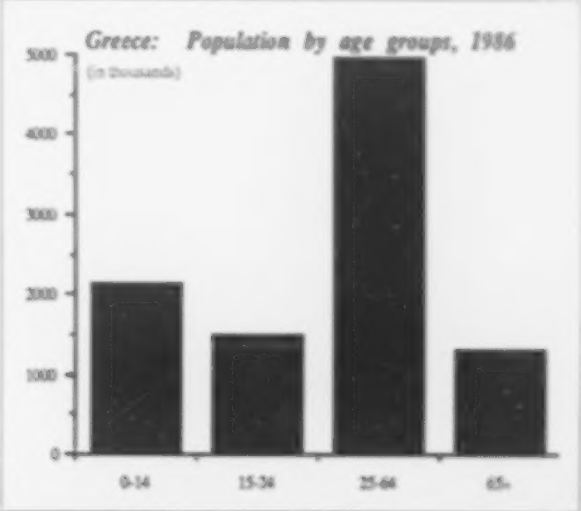
Greece shares with other Ultimate Consumers a decline in household size. In 1971, there were 2.5 million households in Greece. Now there are nearly 3 million households with an average size of 3.2 persons per household, down from 3.4 persons per household in 1971. While not everyone in Greece marries, the actual number of marriages has remained fairly stable since the 1960s, rising to 9.4 per thousand people in 1965 and going as low as 6.5 per 1,000 people in 1980.

Still, only 51 percent of the population are married. Nearly 42 percent have never married, 6 percent are widowed, and less than 1 percent are divorced, attesting to the sanctity of marriage in this country once it occurs. Greece may be one of the few Ultimate Consumer countries where there are more never-married men than women.

EDUCATION STILL A PROBLEM

Education, or the lack of it, is important to an understanding of Greece. Nearly 16 percent of the population aged 10 and older had not completed primary school in 1981. In 1981, only 4 percent of the population had completed higher education, according to data from the 10 percent sample of the census. Including the 4 percent who have completed higher education, 21 percent of the population aged 10 and older have completed high school and/or attained some education beyond secondary school. Three times as many men as women have completed a college degree. Compulsory education through high school (9 years of schooling) was instituted in 1981, so subsequent census figures should show increasing shares of the population to be better educated. All colleges are run by the state.





take
a
quick
look
at Greece

POPULATION

Total population (estimated 1986) | **9,959,669**
Rate of population growth (percent) | **0.29**
Lifetime births per woman (total fertility rate) | **1.68**
Birthrate (births per 1,000) | **11.81**
Death rate (deaths per 1,000) | **9.35**
Population under 15 (percent) | **20.5**
Population aged 65 plus (percent) | **13.4**
Median age | **34.3**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **46.8**
Number of persons per square kilometer | **75**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **74/79**
Infant mortality rate (number per 1,000 live births) | **12.5**
Population per physician/per nursing person | **390/370**
Daily calorie supply per capita (calories per person per day) | **3,601**

Education

Percent literate (male/female, total percentage) | **93/76, 85**
Number enrolled in secondary education as percentage of age group (male/female) | **86/76**
Number enrolled in higher education as percentage of population aged 20-24 | **17**

Labor force

Percent of labor force in agriculture/industry/services | **31/29/40**
Percentage of population of working age (aged 15-64) | **64**
Age-dependency ratio | **54.4**

STATUS OF WOMEN

Labor force participation rate (percent) | **34.7**
Number enrolled in secondary education as percentage of age group | **76**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **66/34**
Population of major metropolitan areas
city name | **Greater Athens 1,082,126**
city name | **Thessaloniki 406,413**
Average annual growth in cities of 20,000 or more (percent) | **1.1**
Average annual growth in rural areas (percent) | **-1.6**
Rate of total population growth (percent) | **0.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$3,770**

Hong Kong

THE ULTIMATE CONSUMERS

Japan's competitive-price loss in world export markets this year was Hong Kong's gain. After the disheartening 1982-84 business slump, anxiety over the territory's transition back into Chinese hands in 1997, and a meager growth rate of 0.8 percent in 1985, Hong Kong has come back and is moving again. Exports rose 13 percent in the first eight months of 1986.

All this means an expected 6 percent growth in GDP in 1986 and 5 percent growth in 1987. Positive indicators on sustained economic resurgence are revived private-sector investment, low inflation, a return to government budgets in the black after three years of red ink, and the rising fortunes of the People's Republic of China--a fortune that middle-man Hong Kong has much to do with. Pessimists look to uncertainty about the revision of the territories to the PRC, worries over the health of the financial sector, and loss of competitive edge to other Asian nations, especially Taiwan and South Korea who will be the main beneficiaries of the high yen. And, as do all Asian nations with heavily export-led economic growth, Hong Kong must worry about protectionist backlash.

Most expect Hong Kong's future strength to be aided by its ties to China, where a labor-intensive manufacturing sector can be backed up by Hong Kong's front-end services--marketing, product design, and tooling--and back-end and tertiary services--banking, shipping, testing, packaging, and customer service. Analysts see Hong Kong changing from a manufacturing center to a trading center, offering services to those trading with such areas as Shanghai and Canton.

Experts see the areas of computer-aided design and computer-aided manufacturing as growth areas for Hong Kong. The government, which is traditionally hands-off when it comes to supporting and nurturing industries (in contrast to South Korea, Taiwan, and Singapore), is pushing industry to move into advanced automation and precision manufacturing.

> ***Analysts see Hong Kong changing from a manufacturing center to a trading center, offering services to those trading with such areas as Shanghai and Canton.***

TURNING GRAY

Hong Kong is going gray. Due to low fertility and low mortality, the population is rapidly aging--much in the same vein as its European and American Ultimate Consumer counterparts. In 1986, 7.3 percent of the population were aged 65 and over, compared with only 2.8 percent in 1961. Hong Kong still has a younger population than the U.S., however. The proportion of Hong Kong residents under age 15 has almost halved since 1961 (from 41 percent to 22 percent) and is now close to that in the U.S. In 1986, the median age in Hong Kong was 28.1 years versus 31.7 years in the U.S.

Projections are that 10 to 11 percent of Hong Kong's population will be aged 65 and

*See the September 1983 issue of **International Demographics** for in-depth consumer information about Hong Kong. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

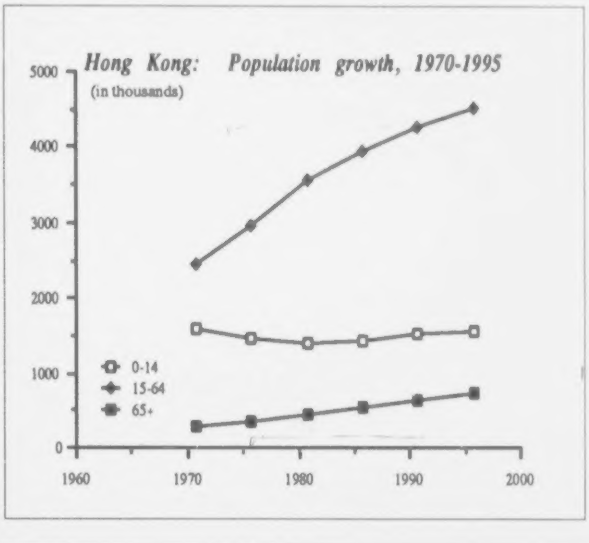
over by 2001, depending on future immigration trends. Those under age 15 should drop to about 21 percent of the total population by 2001. These figures suggest that greater dependency by the elderly will be offset by a shrinking younger population. The share of the population aged 15 to 64--those potentially in the labor force--has grown from 56 percent in 1961 to 69 percent in 1986.

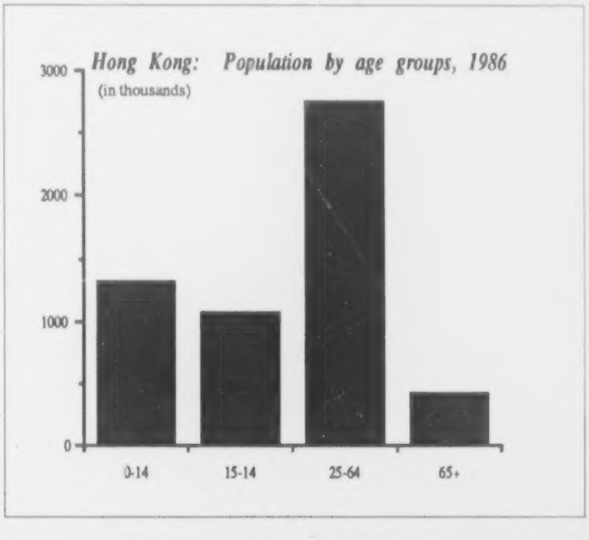
IMMIGRATION DRIVES POPULATION GROWTH RATE

Because of the sporadic nature of immigration, Hong Kong's growth rate fluctuates. Between 1971 and 1977, for example, it averaged 1.9 percent per year, while in 1978, 1979, and 1980, it was 3.4 percent, 6.3 percent, and 2.6 percent, respectively. In all previous census years, natural increase was the largest component of population growth. But from 1976 to 1981, net immigration was at an all-time high, lowering the share natural increase played to 42 percent of population growth.

Due to the large influx of immigrants in the late 1970s, the average annual growth rate between 1976 and 1981 averaged 2.8 percent a year despite falling fertility. Nearly 400,000 Chinese immigrants entered the country between 1978 and 1981. Hong Kong also received more than 50,000 Vietnamese boat people in 1979.

Counting an estimated 44,000 immigrants per year, the Hong Kong Census and Statistics Department predicts a population of 6.2 million people in 1991 and 7.1 million by 2001. Low fertility is expected to continue, hovering around 2.1 births per woman, or just at population replacement level. Due to later marriages, fewer women in their childbearing years, and preferences for fewer children, the number of lifetime births per woman in 1986 stood at about 1.55.





take a quick look at Hong Kong

POPULATION

Total population (estimated 1986) | **5,535,075**
Rate of population growth (percent) | **1.32**
Lifetime births per woman (total fertility rate) | **1.55**
Birthrate (births per 1,000) | **14.3**
Death rate (deaths per 1,000) | **4.74**
Population under 15 (percent) | **22.4**
Population aged 65 plus (percent) | **7.9**
Median age | **28.1**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **54.1**
Number of persons per square kilometer | **5,309**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **78/75/81**
Infant mortality rate (number per 1,000 live births) | **6.5**
Population per physician/per nursing person | **1,260/800**
Daily calorie supply per capita (calories per person per day) | **2,787**

Education

Percent literate (male/female, total percentage) | **90/64, 77**
Number enrolled in secondary education as percentage of age group (male/female) | **62/68**
Number enrolled in higher education as percentage of population aged 20-24 | **12**

Labor force

Percent of labor force in agriculture/industry/services | **2/51/47**
Percentage of population of working age (aged 15-64) | **69.7**
Age-dependency ratio | **45.4**

STATUS OF WOMEN

Labor force participation rate (percent) | **46**
Number enrolled in secondary education as percentage of age group | **68**
Percent of women aged 15-49 using contraceptives | **80**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **92/8**

Population of major metropolitan areas

city name | **Victoria 500,000**

city name | **Tsuen Wan New Town 599,000**

Average annual growth in cities of 20,000 or more (percent) | **2.1**

Average annual growth in rural areas (percent) | **-0.3**

Rate of total population growth (percent) | **1.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$6,330**

Ireland

THE ULTIMATE CONSUMERS

Advertisements to attract new industry to Ireland use its young, well-educated population as a drawing card. Of the Ultimate Consumer countries, Ireland has the highest birthrate and the lowest median age. It is one of the few countries in the industrialized world not facing the problem of an aging population within the next decade. Its birthrate is 17.4 births per thousand and its median age is just over 26--quite a difference compared with countries where the median age has hit the mid-30s and early 40s.

In other ways, Ireland has a lot of catching up to do with its industrialized neighbors. But it is one of the few places in Europe with a great deal of growth potential--and, except for its political troubles--one that is where the United States and other industrialized countries were in the 1950s.

URBAN GROWTH IS ON THE RISE

While between 75 and 80 percent of residents of most of the Ultimate Consumers live in urban areas, only 57 percent of Ireland's population are urban dwellers. Cities are growing at an average of 1.7 percent a year, whereas in most of the Ultimate Consumer countries, the major cities see less than 1 percent a year in growth and in some, most cities are losing population. In Ireland, the trend is toward population growth in the cities and especially in those cities in the eastern part of the country--in Leinster and Munster provinces.

Only19 percent of the Irish still work in agriculture. Thirty-four percent are in industry, with 48 percent in services--a lower rate than in most other European countries, except for countries such as Portugal and Greece. It is no wonder the government is working so hard to attract industry. Its unemployment rate--at around 15 percent--is one of the highest in Europe. There is little doubt that the unrest of the young contributes to the troubles the country is trying to overcome.

> ***Despite the relatively high birthrates in Ireland, the traditionally large Irish family is on the decline.***

Ireland's GNP per capita is estimated at $4,970--a low rate that leaves much room for growth in the coming years.

THE YOUNG DOMINATE

Thirty percent of the Irish are under age 15 and only 11 percent are over age 65, meaning that there is still a strong working age population to support the needs of the young and the old. The Irish are putting emphasis on education and trying to prepare their young for a more modern society. The government spent 6.2 percent of the GDP on education in 1982,

See the April 1984 issue of ***International Demographics*** *for in-depth consumer information about Ireland. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

compared to only 5.5 percent in Italy, 5 percent in Japan, and 5.2 percent in France. But Ireland has some catching up to do. Only 88 percent of its young men who are eligible for secondary school are enrolled, and only 22 percent of its young people currently go on to a higher education.

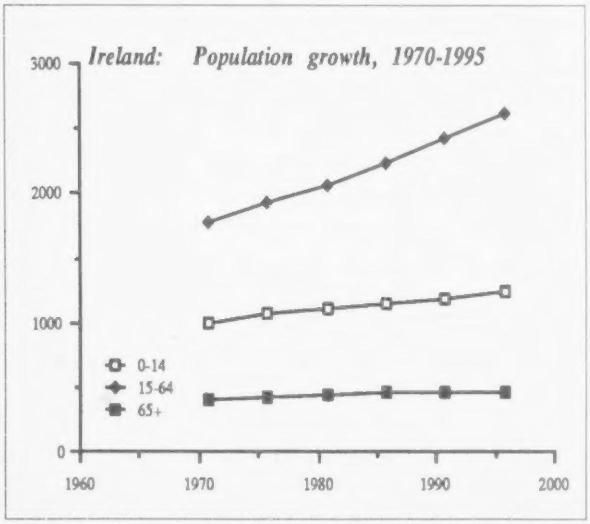
DIVORCE REMAINS OUTLAWED– SINGLE HOUSEHOLDS INCREASE

Ireland's shift into the 20th century is slow in many ways. While even Italy has adopted a policy to legalize abortion, Ireland remains steadfast in outlawing it. Last year, there was an attempt to legalize divorce, but that too was struck down. Census data on marital status are affected by Ireland's laws on divorce. Women who are not living with their legal husband, but who have not been able to obtain a divorce because it is against the law, still often choose to live with someone not their legal spouse. On census questionnaires, their only choice is to mark "married, widowed, or other status" so they end up in a married category even though they are not occupying a household with their legal spouse.

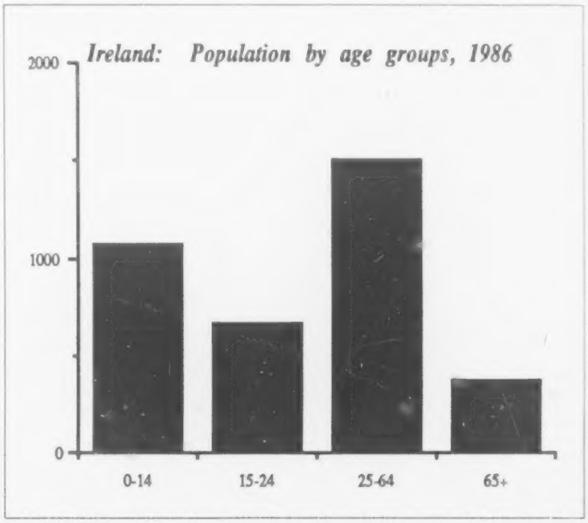
Despite the relatively high birthrates in Ireland, the traditionally large Irish family is on the decline. Average household size has declined from nearly 4 persons per household in the early 1970s to about 3.5 persons per household now. About 17 percent of households are one-person households, an increase of about 50 percent in the last decade. In Dublin, one-person households represent 24 percent of all households.

WORKING WOMEN ARE LIKELY SINGLE

With a higher share of Irish women than men attending high school, it is not surprising to find that 35 percent of women who are of working age are in the labor force. But unlike the United States where married women work in equal shares with single women, in Ireland about 64 percent of the women who work are single. The highest labor force rates are among younger women. About 30 percent of the total Irish labor force is women and women are nearly 49 percent of workers in the professional and technical category. Ireland's census includes an occupational category called "home duties" and twice as many women choose that category as some other occupational category.



Ireland: Population growth, 1970-1995



Ireland: Population by age groups, 1986

take a quick look at Ireland

POPULATION

Total population (estimated 1986) | **3,575,591**
Rate of population growth (percent) | **0.54**
Lifetime births per woman (total fertility rate) | **2.48**
Birthrate (births per 1,000) | **17.42**
Death rate (deaths per 1,000) | **9.19**
Population under 15 (percent) | **30.1**
Population aged 65 plus (percent) | **11.1**
Median age | **26.4**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **46.8**
Number of persons per square kilometer | **51**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71/77**
Infant mortality rate (number per 1,000 live births) | **8.6**
Population per physician/per nursing person | **780/120**
Daily calorie supply per capita (calories per person per day) | **3,579**

Education

Percent literate (male/female, total percentage) | **98/94, 97**
Number enrolled in secondary education as percentage of age group (male/female) | **88/98**
Number enrolled in higher education as percentage of population aged 20-24 | **22**

Labor force

Percent of labor force in agriculture/industry/services | **19/34/48**
Percentage of population of working age (aged 15-64) | **59**
Age-dependency ratio | **70.7**

STATUS OF WOMEN

Labor force participation rate (percent) | **35.0**
Number enrolled in secondary education as percentage of age group | **98**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **57/43**

Population of major metropolitan areas

city name | **Greater Dublin 915,115**

city name | **Cork 149,792**

Average annual growth in cities of 20,000 or more (percent) | **1.7**

Average annual growth in rural areas (percent) | **0.3**

Rate of total population growth (percent) | **0.54**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$4,970**

Italy

THE ULTIMATE CONSUMERS

Italy--with the Vatican in its backyard and a reputation for great lovers among its population--is often misjudged. Roman Catholicism and great lovers do not necessarily equate with children. Among OECD countries, only West Germany has a lower birthrate. Despite bans by the church, 78 percent of women aged 15 to 49 use contraceptives.

At 10.5 births per thousand, its population is growing at less than 0.20 percent. The population in 1986 is estimated to be about 57.2 million, making Italy second only to West Germany in population among the European countries. If West Germany's population loss continues, Italy could overtake it in population around the turn of the century.

With a female life expectancy of 80 years and a male life expectancy of 73, Italy's population is expected to continue to grow, and it will age quickly. Half the population will be age 38 or older by the turn of the century. Still they won't match West Germany's age 41.

IN A YOUTHFUL STAGE

While Italy has the birthrate of a much older nation, its development is still in a youthful stage. Among the Ultimate Consumers it has one of the lowest rates of its labor force working in the services and nearly 12 percent of its workers are employed in agriculture.

As another indication of its youth, Italy has relatively low levels of school enrollment compared to other European countries. Fewer than three-quarters of its young men and women are enrolled in secondary school. Of those who do complete secondary school, a higher education is common. About 26 percent of those aged 20 to 24 are enrolled in some form of higher education. Overall, however, only about 3 percent of the population has higher education.

Italy is one of the few Ultimate Consumers where the urban/rural differences in the national market must be carefully considered.

Average household size is yet another indicator of its youthful stage in life. While other developed countries have as few as 2.1 to 2.5 persons per household, Italy still has about 3 persons per household. Household size in Italy is unlikely to go below 3 until nearly the turn of the century.

And while informal unions have caught on in nearly every other European nation, Italy is one of the holdouts. Marriage without benefit of a ceremony--and 86 percent of couples still choose a religious ceremony--is still unusual, as is divorce.

REGIONAL DIFFERENCES MATTER TO MARKETERS

The line separating the southern regions from those in the north is important. Italy is one of

*See the February 1986 issue of **International Demographics** for in-depth consumer information about Italy. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

the few Ultimate Consumers where the urban/rural differences in the national market must be carefully considered. Each province should be examined for its individual characteristics since the north has already shifted to a service economy, and the south is just moving into its industrialization phase from having been more inclined toward agriculture.

While the median age of Italy is about 35 years, the median in a province such as Liguria--where retirees are likely to make their home--is age 42 and 18 percent of the population is aged 65 and older, compared with a national share of only about 13 percent. Household size varies by province as well. Liguria, the old folks home, has about 2.5 persons per household, whereas Puglia, a southern province that is one of the fastest-growing in the country, has about 3.4 persons per household.

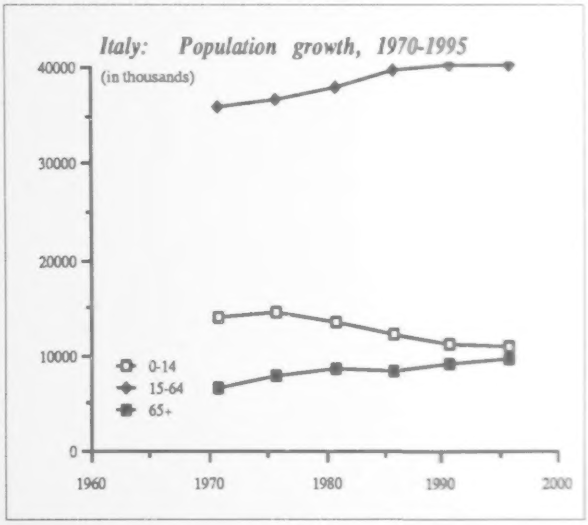
Working women are not as prevalent in Italy as in some other well-developed countries, although there are indications that more of them would be working if the jobs were available. Again, there are substantial regional variations. In the developed north, nearly 37 percent of women work in provinces such as Emilia Romagna, whereas in the more traditional south in provinces such as Sicilia, only about 18 percent of women work outside the home. These variations create substantially different needs and wants as consumers. The women in northern provinces are more likely to be able to afford and to need time-saving appliances, for example.

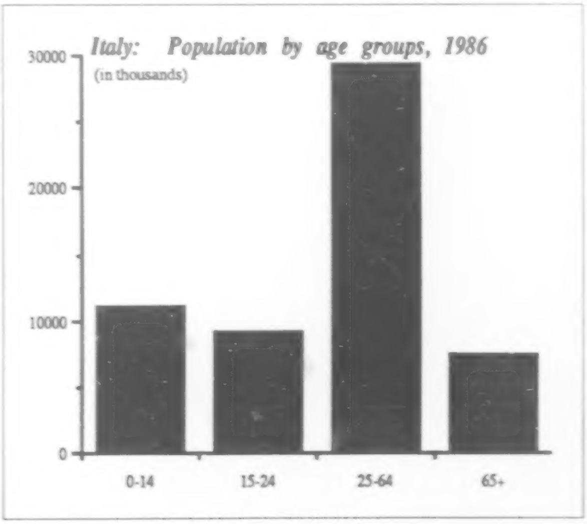
Birthrates, too, range from as high as 14 or 15 births per thousand in some southern provinces to as low as 6 and 7 births per thousand in Liguria, Valle d'Aosta and Emilia Romagna.

The Italians are a hardy bunch and the Center for International Research now estimates that Italian women have a life expectancy of about 80 years, one of the highest in the world.

UNDERGROUND LABOR FORCE

While Italy's GNP per capita is estimated at only $6,420, one of the lower rates among Western European nations, that figure does not take into account the underground economy. Because of the submerged economy, the 170 percent difference officially reported between the per capita GDP of the richest province, Valle d'Aosta, and the poorest, Calabria, may be overstated. While GNP per capita is estimated at only about $6,400, mean annual household budgets reported in 1983 varied from the equivalent of $11,950 in Lombardia to $7,400 in Molise, with a national average of $10,026. And, true to their image, the consumption of cereals (including pasta) accounts for nearly 4 percent of the average household budget.





take a quick look at Italy

POPULATION

Total population (estimated 1986) | **57,244,689**
Rate of population growth (percent) | **0.19**
Lifetime births per woman (total fertility rate) | **1.42**
Birthrate (births per 1,000) | **10.53**
Death rate (deaths per 1,000) | **9.71**
Population under 15 (percent) | **18.6**
Population aged 65 plus (percent) | **13.4**
Median age | **35.4**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **48.5**
Number of persons per square kilometer | **189**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **73/80**
Infant mortality rate (number per 1,000 live births) | **8.6**
Population per physician/per nursing person | **750/250**
Daily calorie supply per capita (calories per person per day) | **3,521**

Education

Percent literate (male/female, total percentage) | **98/94, 97**
Number enrolled in secondary education as percentage of age group (male/female) | **74/71**
Number enrolled in higher education as percentage of population aged 20-24 | **26**

Labor force

Percent of labor force in agriculture/industry/services | **12/41/48**
Percentage of population of working age (aged 15-64) | **67**
Age-dependency ratio | **49.8**

STATUS OF WOMEN

Labor force participation rate (percent) | **40.7**
Number enrolled in secondary education as percentage of age group | **71**
Percent of women aged 15-49 using contraceptives | **78**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **72/28**
Population of major metropolitan areas
    city name | **Rome 2,834,094**
    city name | **Milan 1,580,810**
Average annual growth in cities of 20,000 or more (percent) | **0.9**
Average annual growth in rural areas (percent) | **-1.4**
Rate of total population growth (percent) | **0.19**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$6,420**

Japan

Is the Japanese miracle ending? Not on your life. Reshaping itself, for sure. After the yen soared 40 percent against the dollar and GNP growth lagged due to falling exports (measured in yen), Japan embarked on a new tack--supporting growth through domestic sources rather than exports. This adjustment will speed Japan's already heady transition from a manufacturing-based to a service-based economy, as Japanese businesses move offshore to manufacture what they used to make at home and further automate the domestic manufacturing industry. Increasingly, Japan will expand its role as a trading center with advanced systems for communications, financial transactions, and other services.

Last year's 40 percent rise of the yen against the dollar slowed GNP growth this year to about 2 to 3 percent, but Japanese businessmen expect increased recovery in 1987 as the benefits of cheap oil come to the fore. Private forecasters see the Japanese economy growing at 3 to 4 percent in 1987.

GETTING OLDER

Not only is Japan's economy at a turning point, but so is its rapidly aging population. Japan's 1986 population of 121.4 million will continue to grow slowly to 127.6 million in the year 2000 and 128.5 million in 2020, and by far the fastest growing age group will be those over age 60.

In 1980 about 13 percent of its population was over 60. By the year 2000, this proportion will surge to about 21 percent of the population; by 2020, to 26.5 percent. The proportion of youth--those aged 15 and under--which made up 23.6 percent of the population in 1980 will continue to decline, making up only 17.5 percent of the population in the year 2000.

> ***Promoting an entire lifestyle--particularly one that appeals to the young Japanese woman who feels hemmed in by the conventionality of Japanese society--rather than selling an individual product is Japan's new wave in marketing.***

WORKING WOMEN TO PICK UP THE SLACK

As Japan's population ages, so will its work force. Dwindling numbers of youth who traditionally provide cheap, flexible labor will be increasingly replaced by married women--women used to career breaks and desiring flexible hours. So far, the trend in Japan has been for women who have routinely quit work in their mid-20s to raise families to return to work part-time after their children (usually two closely spaced) enter primary school.

Women over 35 are returning to work in increasing numbers for reasons of both personal fulfillment and economic necessity. Those over 35 find themselves with their children in school, educated minds, and long stretches of free time before them. Of the nearly 15 million women who work, about 5

*See the November 1982 issue of **International Demographics** for in-depth consumer information about Japan. Back issues are $10 each and are available by calling toll free, 800-828-1133; in New York call 800-462-6606.*

million hold down part-time jobs. The majority of these women, however, occupy low-level, low-paying jobs.

However, the new Japanese woman is beginning to make inroads into previously all-male professions. Due to a shortage of new male entrants in the labor force, young women are now entering such previously men-only professions as computer programming. Some are even beginning to hold influential positions in Japan's fast-growing service and retailing sector. Other forces are sure to catapult Japan's urban, educated women into senior positions. The industries slated to grow quickly in the newly emerging Japanese economy are exactly the ones where women fit most comfortably in the senior ranks--the information industry, financial services, tourism, and design.

GETTING RICHER

Not only is the population getting older, it is getting richer too. Like it or not, the income of the average Japanese now tops that of the average American, at $18,000 and $17,000, respectively. But, although by the year 2000 the largest consumer group will be over 35, the young singles market looks like the wave of the future as far as discretionary income expenditure goes.

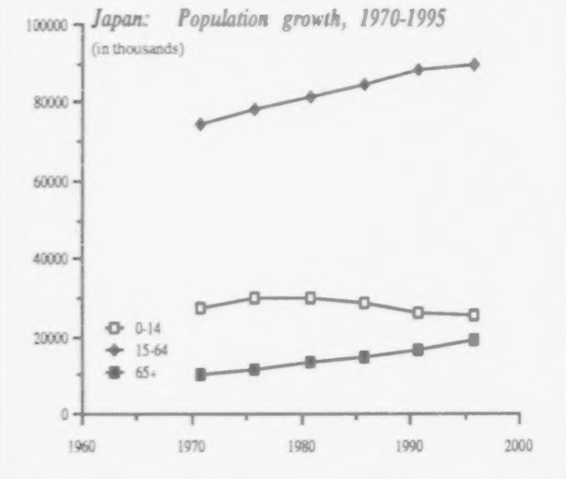
Young single workers are the envy of married employees with families to support. In 1980, young single workers spent roughly $220 a month--a third of their entry-level salaries--on food and housing. About another third was spent on leisure, entertainment, cultural activities, and education. Thirteen percent was spent on clothing--nearly double that spent by the average household--and only 5 percent on durables.

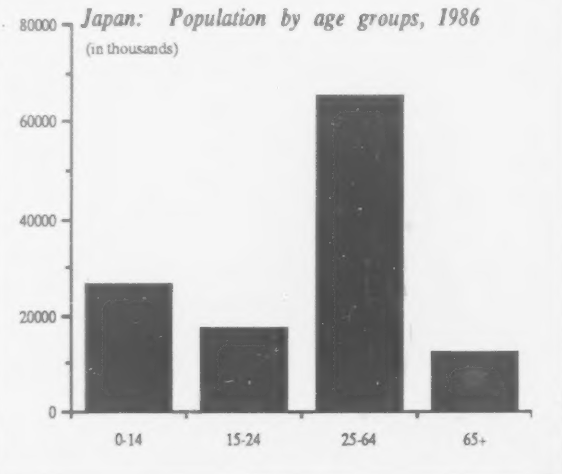
Young working women (who usually live at home with their parents) are one of Japan's strongest consumer groups. With marriage increasingly delayed to between the ages of 24 and 27, they have a relatively large amount of discretionary income, spending nearly 16 percent of their total income on leisure.

WOOING THE WOMAN CONSUMER WITH FEELING

"I detest the type of publicity that chants the name of the product over and over. Instead, I simply address a letter to the Japanese people." So says Eiko Ishioka, Japan's most successful figure in advertising art. Promoting an entire lifestyle--particularly one that appeals to the young Japanese woman who feels hemmed in by the conventionality of Japanese society--rather than selling an individual product is Japan's new wave in marketing.

The more illusive, innovative, and controversial the images, the better. The direct, effective, informative approach does not sit well with a consumer looking for the unexpected and creative as a way of perking up her routine life.


Japan: Population growth, 1970-1995
(in thousands)


Japan: Population by age groups, 1986
(in thousands)

take a quick look at Japan

POPULATION

Total population (estimated 1986) | **121,456,182**
Rate of population growth (percent) | **0.56**
Lifetime births per woman (total fertility rate) | **1.85**
Birthrate (births per 1,000) | **12.45**
Death rate (deaths per 1,000) | **6.82**
Population under 15 (percent) | **21.0**
Population aged 65 plus (percent) | **10.5**
Median age | **35.1**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **50.0**
Number of persons per square kilometer | **323**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **78/75/80**
Infant mortality rate (number per 1,000 live births) | **5.8**
Population per physician/per nursing person | **740/210**
Daily calorie supply per capita (calories per person per day) | **2,653**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **92/93**
Number enrolled in higher education as percentage of population aged 20-24 | **30**

Labor force

Percent of labor force in agriculture/industry/services | **9/35/56**
Percentage of population of working age (aged 15-64) | **69**
Age-dependency ratio | **45.8**

STATUS OF WOMEN

Labor force participation rate (percent) | **57**
Number enrolled in secondary education as percentage of age group | **93**
Percent of women aged 15-49 using contraceptives | **56**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **77/23**
Population of major metropolitan areas
  city name | **Tokyo 11,892,016**
  city name | **Yokohama 2,773,674**
Average annual growth in cities of 20,000 or more (percent) | **0.6**
Average annual growth in rural areas (percent) | **0.3**
Rate of total population growth (percent) | **0.5**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$10,630**

Luxembourg

THE ULTIMATE CONSUMERS

Marketers who are seeking trial markets in Europe may well wish to focus on Benelux--three small but affluent markets that together provide a market of about 25 million people. Of the three, Luxembourg is the smallest--only 366,000 people--and it has the lowest density per square kilometer. It also is growing more slowly than any of the three because its birthrate is the lowest--about 11 births per thousand.

A COUNTRY OF URBAN DWELLERS

Only 18 percent of Luxembourg's population live in rural areas. Only about 4 percent of its workforce are engaged in agriculture. But the only large city of any size is the capital which shares the country's name. It contains about 22 percent of the population. The next largest city--Esch-sur-Alzette--has only about 25,000 people. Thus, while it is highly urbanized, the majority of its cities have fewer than 10,000, resulting in an urbanization pattern much different than that of such countries as the United Kingdom or France.

Of the European Community countries, Luxembourg entertains the greatest proportion of immigrants relative to its population. About 26 percent of its population are foreigners, of which the Portuguese are the largest immigrant group. For the most part, immigrants have been easily assimilated into the society. Foreigners take about 90 percent of construction jobs, and more than 50 percent of industrial jobs.

As in Switzerland, foreigners are welcome due to public awareness that their labor is a necessity. The unemployment rate in Luxembourg is only about 2 percent, next to Switzerland the lowest in all of Europe.

> ***Luxembourg's former premier suggested that the falling birthrate indicated a "collective tendency toward suicide."***

IMMIGRANTS HELP EASE AGING PROBLEM

The median age of Luxembourgers is 36.4 years. The young still outnumber the old. Those aged 65 and older make up 15 percent of the population, while those under age 15 are 17 percent of the population. While the population is aging, just as in Switzerland, the immigrant population helps to keep the age distribution in balance. People aged 20 to 29 are 16 percent of the population, primarily because immigrants most likely fall within this age group. While the overall birthrate is 11.1 per thousand people, it is only 10.7 for Luxembourg natives and 13.5 for immigrants.

Luxembourgers are actually on the decline while aliens are on the increase, leading political officials to worry that the country is

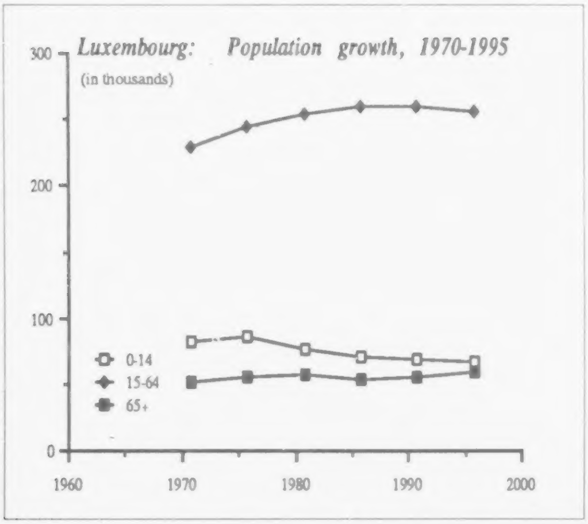
*See the September 1985 issue of **International Demographics** for in-depth consumer information about Luxembourg. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

experiencing an identity crisis. The former premier suggested that the falling birthrate indicated a "collective tendency toward suicide."

A STABLE, AFFLUENT SOCIETY

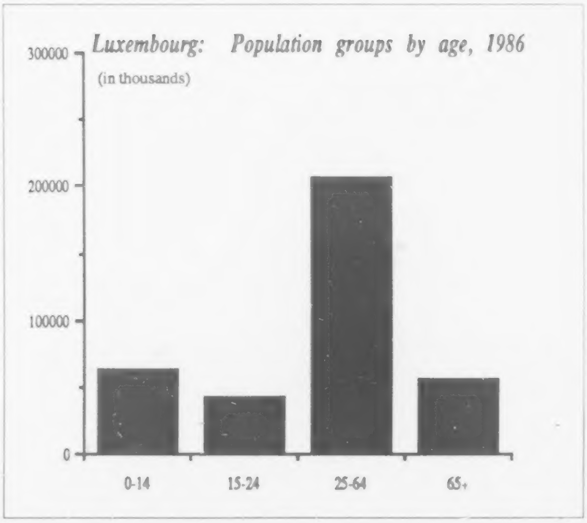
Be that as it may, Luxembourgers seem happy with their lot in life. And why shouldn't they be with a standard of living that is among the highest in the world.

Among OECD countries, Luxembourg has the highest rate of take-home pay after tax and social security contributions. Including family benefits, a Luxembourg worker in manufacturing can expect to call 94.2 percent of his paycheck his own. Luxembourgers own 385 passenger cars per thousand, 336 televisions per thousand, and by their own reckoning have almost the highest number of telephones per thousand in Western Europe at 589.



Luxembourg: Population growth, 1970-1995

(in thousands)



Luxembourg: Population groups by age, 1986

(in thousands)

take a quick look at Luxembourg

POPULATION

Total population (estimated 1986) | **366,360**
Rate of population growth (percent) | **-.03**
Lifetime births per woman (total fertility rate) | **1.61**
Birthrate (births per 1,000) | **11.13**
Death rate (deaths per 1,000) | **11.46**
Population under 15 (percent) | **17.1**
Population aged 65 plus (percent) | **15.1**
Median age | **36.4**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.8**
Number of persons per square kilometer | **140**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72/79**
Infant mortality rate (number per 1,000 live births) | **7.1**
Population per physician/per nursing person | **NA**
Daily calorie supply per capita (calories per person per day) | **NA**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **65/68**
Number enrolled in higher education as percentage of population aged 20-24 | **NA**

Labor force

Percent of labor force in agriculture/industry/services | **5/25/70**
Percentage of population of working age (aged 15-64) | **68.6**
Age-dependency ratio | **44.8**

STATUS OF WOMEN

Labor force participation rate (percent) | **39.1**
Number enrolled in secondary education as percentage of age group | **68**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **82/18**

Population of major metropolitan areas

city name | **Luxembourg-Ville 78,991**

Average annual growth in cities of 20,000 or more (percent) | **0.7**

Average annual growth in rural areas (percent) | **-3.6**

Rate of total population growth (percent) | **-.03**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$11,412**

New Zealand

THE ULTIMATE CONSUMERS

New Zealand and Australia have almost the same birthrate--about 15 births per thousand, but Australia's population is growing at more than 1 percent a year and New Zealand's is growing at less than one percent a year. What makes the difference? Immigration and death rates. New Zealand has little gain from new immigrants and a slightly higher death rate than Australia's.

But no matter. Small New Zealand with its 3.3 million population is used to living in the shadow of the much larger Australia. Comparisons between the two traditionally Western nations amid Asia are inevitable, and differences abound. While Australia is one of the younger of the Ultimate Consumers, New Zealand is even younger with a median age of 28.9 years. Twenty-four percent of its population are younger than age 15 and only 10.5 percent are aged 65 and older.

New Zealand is made up of two islands. Between 1976 and 1981, the population of North Island increased by 2.4 percent to 2.3 million while the population of South Island decreased by 1 percent. The decrease is not due to low birthrates or high death rates. Migration is the culprit. More people are leaving for overseas or for North Island than are coming to South Island to settle.

HIGHLY URBANIZED, SMALL MARKET

As a small market, New Zealand may be overlooked, but its high rate of urbanization--84 percent--means that the population is relatively concentrated. The overall population density is 12 persons per square mile.

Until 1976 New Zealand's urban areas grew quickly because of the development of manufacturing and services industries which attracted people to the new jobs they provided. The majority of immigrants tended to settle in the urban areas and rural residents were enticed by the better social, cultural, educational, and economic opportunities. Now the rate of urbanization appears to be stabilizing. Gains now in rural areas appear to be mainly an expansion of the suburban areas that lie outside the seven largest cities. The greatest rural growth in a statistical division was around Auckland where the population increased by 12 percent.

> ***While Australia is one of the younger of the Ultimate Consumers, New Zealand is even younger with a median age of 28.9 years.***

While the population has tended to move from South Island to North Island, it also is drifting from the southern part of North Island to the northern part. One reason is that dairy farming has changed and processing factories and services to dairy farmers have become more important. Also, astute manufacturers and processors try to locate their factories as close as possible to the major markets and those are on the northern part of North Island. As in other developed countries, inner cities that previously lost population to the suburbs are beginning to see gains again as new multi-story apartment buildings are constructed and urban professionals seek to minimize their commute by living closer to their work.

FEWER CHILDREN, MORE SINGLE PARENTS

The trends in New Zealand's households mirror those of most other Ultimate Consumer countries: fewer children per family, an increasing percentage of childless couples, a decline in two-parent families, and an increase in the number of single-parent families. Since 1976, there has been an increase of 19 percent in one- and two-person households so that they now make up 48 percent of all households. In 1981, there were just over 1 million private households in New Zealand.

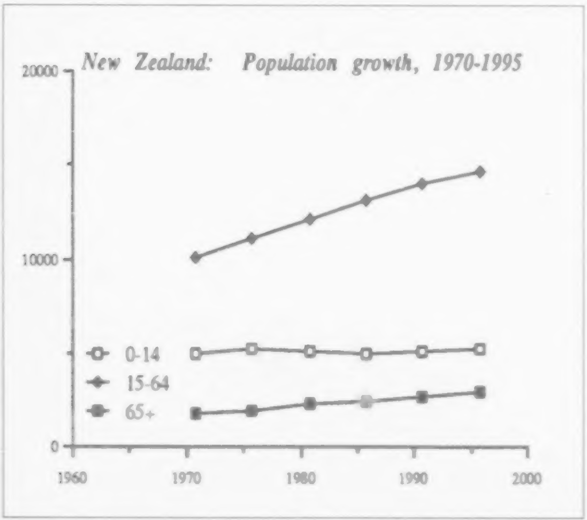
Sixty-six percent of the households in New Zealand contain one family. Eighty-four percent of those, or 556,000 households, are considered "complete" families with two parents and one or more unmarried children living at home. Eleven percent of family households are single-parent families with children. Eighteen percent of all households, or about 185,000 households, contain only one person.

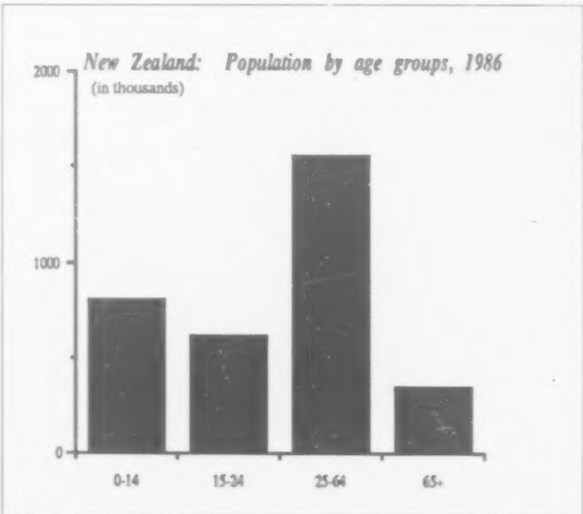
Of the 207,000 households with a married couple and no children, the majority are older couples whose children are no longer at home, rather than childless couples who may still bear children. A third are headed by someone aged 65 and older. Thirty-seven percent are headed by someone aged 45 to 64. These couples are people who are interested in travel, often have more leisure time than couples with children, and who often have money available for investments and luxury items. Of the 348,400 households with children, 39 percent have two children and 28 percent have one child. Only 3 percent have five or more children.

SPENDING UP ON LEISURE-TIME AND RECREATIONAL ITEMS

Annual consumer expenditure surveys in New Zealand provide detailed information on spending patterns. For example, while spending on most items has been relatively stable as a proportion of total income, spending on equipment and services for educational, cultural, leisure-time, and recreational purposes has increased. Rents are also increasing as a proportion of average weekly expenditure as are household services.

Eighty-three percent of New Zealand households have a car, 13 percent have a motorcycle, and 35 percent have a bicycle. New Zealanders are not, by and large, two-car families. Electricity is more in use than gas. Ninety-four percent of households have an electric cooking stove, and only 6 percent have a gas range.





take a quick look at New Zealand

POPULATION

Total population (estimated 1986) | **3,278,182**
Rate of population growth (percent) | **0.89**
Lifetime births per woman (total fertility rate) | **1.91**
Birthrate (births per 1,000) | **15.85**
Death rate (deaths per 1,000) | **8.12**
Population under 15 (percent) | **24.1**
Population aged 65 plus (percent) | **10.5**
Median age | **28.9**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **51.4**
Number of persons per square kilometer | **12**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71/78**
Infant mortality rate (number per 1,000 live births) | **10.6**
Population per physician/per nursing person | **590/110**
Daily calorie supply per capita (calories per person per day) | **3,493**

Education

Percent literate (male/female, total percentage) | **NA**
Number enrolled in secondary education as percentage of age group (male/female) | **80/82**
Number enrolled in higher education as percentage of population aged 20-24 | **28**

Labor force

Percent of labor force in agriculture/industry/services | **11/33/56**
Percentage of population of working age (aged 15-64) | **65**
Age-dependency ratio | **52.2**

STATUS OF WOMEN

Labor force participation rate (percent) | **45.8**
Number enrolled in secondary education as percentage of age group | **82**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **84/16**
Population of major metropolitan areas
city name | **Wellington 342,500**
Average annual growth in cities of 20,000 or more (percent) | **0.8**
Average annual growth in rural areas (percent) | **0.3**
Rate of total population growth (percent) | **0.9**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$7,730**

Norway

THE ULTIMATE CONSUMERS

Although Norway's consumer price index has increased more than some of its neighbors' have in the past year, and its economy has suffered slightly from the decline in oil prices, it is still a prosperous country that holds prospects for U. S. goods and services.

FULL EMPLOYMENT

Along with its Scandinavian neighbors, Norway has relatively low rates of unemployment. Even in 1986 when other OECD countries were reporting unemployment of 12 and 13 percent month after month, Norway reported only about 2 percent unemployment. In the middle of 1986, only Switzerland had a lower unemployment rate. This accounts in part for its relatively high per capita income of $13,000 and its high GNP per capita of nearly $14,000.

Another factor adding to its high GNP per capita is that women make up nearly 43 percent of the labor force. Among women, 66 percent are in the labor force. The employment rate for women grew 25 percent between 1975 and 1983. Of that additional employment, only about 5 percent were full-time.

Of the nearly 2 million people in the labor force, nearly 65 percent work in services, 29 percent work in industry, and only 7 percent are employed in agriculture, which includes fishing and forestry, two strong segments in Norway. One reason the market for computers and peripherals, especially software, is fairly strong in Norway is that service businesses have been computerizing to make their services more efficient.

POPULATION TO GROW SLOWLY

One fifth of the market in Norway is aged 15 and under. But because Norway had a baby boom, the younger age groups are shrinking as the working age population grows. The age 65 and over population now amounts to 15.9 percent of the population. The age 65 and over group will increase slightly as a percentage of the population through 1990 and then will begin to decline slowly again until 2020.

Women make up nearly 43 percent of Norway's workforce.

The total Norwegian population is now 4.1 million and is expected to continue to grow slowly. By 1990, the population is expected to number 4.2 million and by the year 2000, about 4.3 million. With the working age population continuing in such a stable relationship with the dependent population well into the next century, Norway's prospects for continued prosperity are good. It could experience a problem with a lack of new entrants to the labor force, especially in the tourism area where it has shown strong growth in the last few years.

See the November 1983 issue of International Demographics for in-depth consumer information about Norway. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.

COUNTRY LIFE STILL PREVALENT

With only about 73 percent of its population living in urban areas, Norway's residents do not have as easy access to retail stores and other services as do the residents of some other OECD countries. For example, in Japan, a survey found that 96 percent of the people in private households were less than 15 minutes walking distance from a store that would satisfy their daily needs. This allows the Japanese woman to use her neighborhood store as her pantry. In Norway, by comparison, only 74 percent of those surveyed could satisfy their daily needs within a 15-minute walk. Ten percent cited that type of retail establishment as being a 30-minute walk away. Even among urban residents, only 90 percent said they were within a 10-to-15-minute walk of a store.

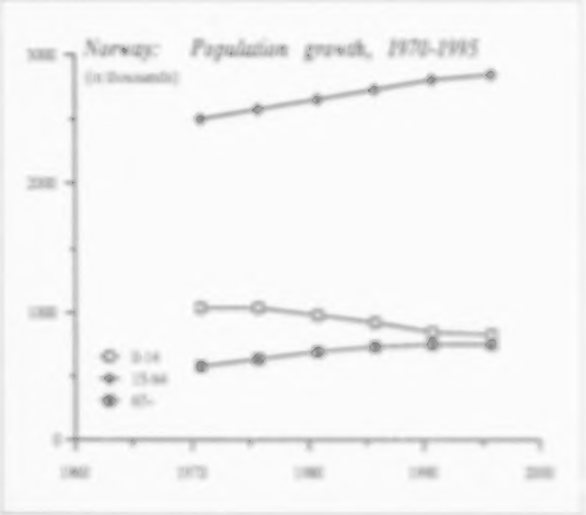
While some developed countries such as Japan are saturated with retail stores, Norway could be an exception. Convenience stores may do well there, given the level of education, the high percentage of working women, and some indications that people in suburban and rural areas are not served by stores nearby.

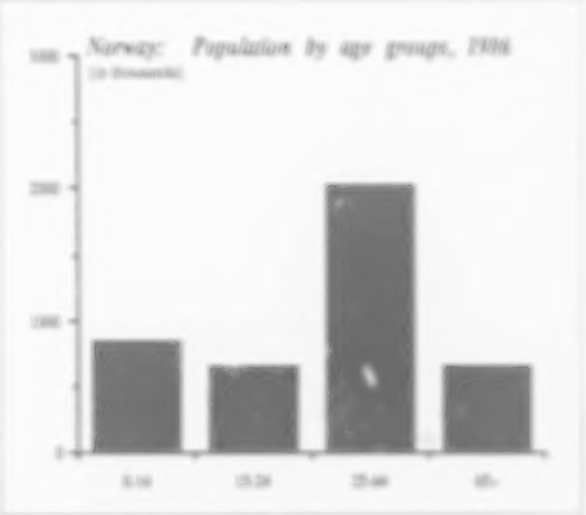
MANY ELDERLY RESTRICTED DUE TO HEALTH PROBLEMS

Although there are only about 63,000 people aged 65 and older in Norway, their health is comparatively worse than the health of those living in some neighboring countries. A survey finds that 60 percent of people aged 65 and older said they were restricted to a great extent in their daily activities because of a long-standing health condition. In Sweden, for example, only 22 percent of the population in the same age group said they had restrictions on their daily activities.

Even among 45-to-64-year-olds in Norway, 38 percent of the population said they were restricted because of health concerns. Despite slow growth in Norway's elderly population, there will be at least parallel growth in the number of people in Norway and those in neighboring countries who feel restricted in their activities. Some of the elderly, therefore, will be attracted to climates that allow them greater activity and make them feel better; others will be greatly restricted in their ability to travel and make use of leisure-time facilities, slowing the growth of these areas of the economy.

Among seven Ultimate Consumer countries, Norwegians also showed by far the highest number of "bed" days--or days they were ill enough to be home in bed. Among 15-to-24-year-olds, there was an average of 10 bed days in Norway, but only 5 or fewer in countries such as The Netherlands, Canada, and Finland. Among those aged 65 and over, the number of bed days in Norway was 18, while it was 13 or less in the other countries. The most likely people to spend time in bed in Norway were those living in urban areas, with residents of large metropolitan areas having the highest average number of days.





take a quick look at Norway

POPULATION

Total population (estimated 1986) | **4,165,822**
Rate of population growth (percent) | **0.31**
Lifetime births per woman (total fertility rate) | **1.68**
Birthrate (births per 1,000) | **12.42**
Death rate (deaths per 1,000) | **10.67**
Population under 15 (percent) | **19.6**
Population aged 65 plus (percent) | **15.9**
Median age | **34.5**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.9**
Number of persons per square kilometer | **13**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **76/73/80**
Infant mortality rate (number per 1,000 live births) | **8.0**
Population per physician/per nursing person | **460/70**
Daily calorie supply per capita (calories per person per day) | **3,088**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **95/98**
Number enrolled in higher education as percentage of population aged 20-24 | **28**

Labor force

Percent of labor force in agriculture/industry/services | **7/28/65**
Percentage of population of working age (aged 15-64) | **64.5**
Age-dependency ratio | **55.5**

STATUS OF WOMEN

Labor force participation rate (percent) | **66**
Number enrolled in secondary education as percentage of age group | **98**
Percent of women aged 15-49 using contraceptives | **71**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **73/27**

Population of major metropolitan areas

- city name | **Oslo 447,257**
- city name | **Bergen 207,332**

Average annual growth in cities of 20,000 or more (percent) | **0.9**

Average annual growth in rural areas (percent) | **-1.3**

Rate of total population growth (percent) | **0.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$14,000**

Singapore

THE ULTIMATE CONSUMERS

Singapore's squeaky-clean streets and "sunrise industries" of information technology are the futurologist's dream come true. The skills, knowledge, and motivation of the "garden city's" 2.5 million people, who live on an island only 42 by 22 kilometers, brought this tiny state the highest per capita income of any Asian nation barring Japan. Without raw materials, the cumbersome inertia of heavy industry, and the tradition of the dole, Singapore became the prototype information society--one in which 70 percent of its GNP comes from the service sector.

SINGAPOREAN ECONOMY REVIVES

Singapore's economy is finally beginning to rally, raising hopes for a comeback after GDP shrunk by 1.8 percent last year--the first contraction of the economy in two decades. Predictions vary, but GDP growth is estimated at anywhere from 0.5 percent to 0.8 percent in 1986, 2.5 percent to 3 percent in 1987, and 4 percent to 6 percent in 1988. However, the rapid wage increases and steep rises in living standards (average weekly earnings rose by 14 percent in 1981,15.3 percent in 1982, and 9 percent in 1983) of the 1970s and early 1980s are gone from the picture.

Annual GDP growth between 1976 and 1986 averaged 6.8 percent. Singapore's demographics are another plus. Singapore's population grew 16.4 percent during the 1970s, up from 2 million. A successful family planning policy kept the average annual growth rate at 1.5 percent between 1970 and 1980, compared with an annual rate of 2.8 percent during the 1960s.

FEWER BABIES, MORE ELDERLY

Although the Singaporean population is younger than that of the U.S., it is aging for the same reasons--declining fertility and the disproportionately large group of post-war baby-boomers pushing into mid-life. In 1970, almost 40 percent of the population were under age 15 and less than 6 percent were aged 60 and over. But, by 1980, those under age 15 fell to only about 27 percent of the population while those aged 60 and over had grown to 7 percent of the population. By the year 2000, about 11 percent of the population are expected to be aged 60 and over. By 2020, 22.8 percent of the population will be elderly.

> ***With 70 percent of Singapore's GNP generated by the service sector, Singapore is a futurologist's dream come true.***

Singapore has its highly educated youth as assurance for the future. Ten percent of its high school graduates attend college. For those who don't attend college, technical training is readily available.

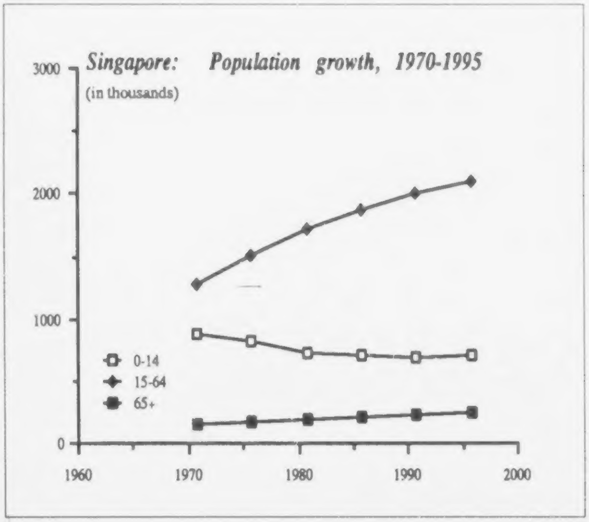
Due to its rapidly expanding economy, Singapore has been able to employ almost all of its disproportionately large group of post-war baby boomers. Unemployment in 1981

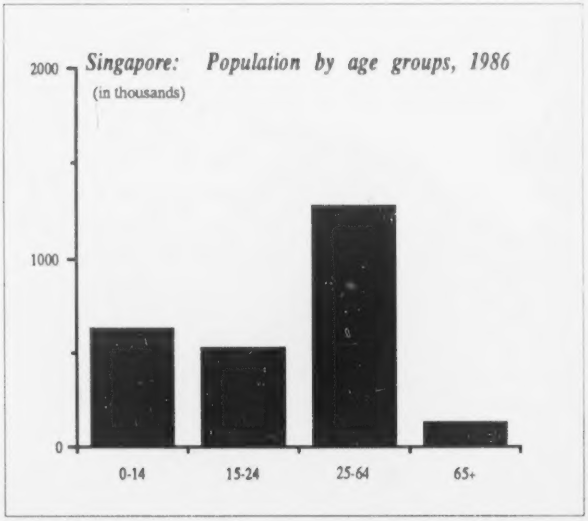
*See the July 1982 issue of **International Demographics** for in-depth consumer information about Singapore. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

ran only at 2.9 percent, 2.6 percent in 1982, and 3.2 percent in 1983.

WOMEN IN THE WORKFORCE

About 46 percent of Singaporean women work. The availability of foreign domestic help, especially Malays and Filipinos, has helped support this participation rate. Those in the workforce average about 2.4 children per woman, as compared with 3.8 children per non-working woman. Educational attainment for women also has climbed steeply. The number of literate women grew 64 percent between 1970 and 1980. In the last 10 years, secondary school enrollment for women has increased two times faster than the rate for men.





take a quick look at Singapore

POPULATION

Total population (estimated 1986) | **2,586,919**
Rate of population growth (percent) | **1.13**
Lifetime births per woman (total fertility rate) | **1.62**
Birthrate (births per 1,000) | **16.58**
Death rate (deaths per 1,000) | **5.24**
Population under 15 (percent) | **23.9**
Population aged 65 plus (percent) | **5.3**
Median age | **27.2**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **60.0**
Number of persons per square kilometer | **4,404**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **73/70.5/76**
Infant mortality rate (number per 1,000 live births) | **9.7**
Population per physician/per nursing person | **1,100/340**
Daily calorie supply per capita (calories per person per day) | **2,636**

Education

Percent literate (male/female, total percentage) | **83/54, 69**
Number enrolled in secondary education as percentage of age group (male/female) | **65/65**
Number enrolled in higher education as percentage of population aged 20-24 | **12**

Labor force

Percent of labor force in agriculture/industry/services | **2/38/61**
Percentage of population of working age (aged 15-64) | **41**
Age-dependency ratio | **42.1**

STATUS OF WOMEN

Labor force participation rate (percent) | **45**
Number enrolled in secondary education as percentage of age group | **65**
Percent of women aged 15-49 using contraceptives | **71**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **100/0**
Population of major metropolitan areas
city name | **Singapore City 1,520,000**
Average annual growth in cities of 20,000 or more (percent) | **1.2**
Average annual growth in rural areas (percent) | **8.1**
Rate of total population growth (percent) | **1.1**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$7,260**

Spain

THE ULTIMATE CONSUMERS

Spain is one of the youngest countries in the European Community. With a median age of 30.9 years and nearly 23 percent of its population under age 15, Spain is still readily influenced by its young.

As a country with a relatively young population compared with other Ultimate Consumers, Spain's standard of living is one of the lowest in the Community. Annual per capita income is estimated at $4440. The Spanish government is concerned about raising this standard of living. One area is health, where the government has committed itself to a long-term National Health Plan that will improve the quality of medical care.

Because only 12 percent of Spain's population is aged 65 and over, a fairly large share of its 38.8 million residents--64 percent--are of working age.

SPANISH LIFE REMAINS FAMILY CENTERED

While in some Ultimate Consumers, later marriage, smaller families, and rising divorce rates have taken their toll, life in Spain is still family-centered. Household size in most European countries has dipped below three persons. In Spain it is expected to remain at 3.5 persons per household through 1990 and 3.2 persons per household through 2000, reflecting that the average household often contains three generations. Unmarried women remain in the arms of the family. In Spain, marriage usually does not take place until the breadwinner is firmly established and can provide a completely furnished household. Thus, men often do not marry until they reach age 30 or older.

SERVICES LAG

While the services industries employ the lion's share of workers in most of the Ultimate Consumers, they still employ less than half the labor force in Spain. Seventeen percent of the population are employed in agriculture, the highest among OECD countries except for Greece, Portugal, and Turkey.

> ***As a country with a relatively young population compared with other Ultimate Consumers, Spain's standard of living is one of the lowest in the Community.***

Unemployment rates reached 21 percent in Spain in 1986, the highest in the OECD. Entry level jobs are at a premium. Of all the unemployed in Spain, 39 percent are new job entrants. Among women, 59 percent of job seekers are new entrants to the labor market, reflecting the increased desire of women to go to work, especially before they marry.

Women who are married and have children are not as active in the job market. While nearly 30 percent of female workers between the ages of 15 and 24 are seeking work, only 7 percent of women between the ages of 25 and 44 are job hunting, reflecting the significant share of these women who have left the job market to marry and raise a family.

Thus, the country has a long way to go in

*See the November 1984 issue of **International Demographics** for in-depth consumer information about Spain. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

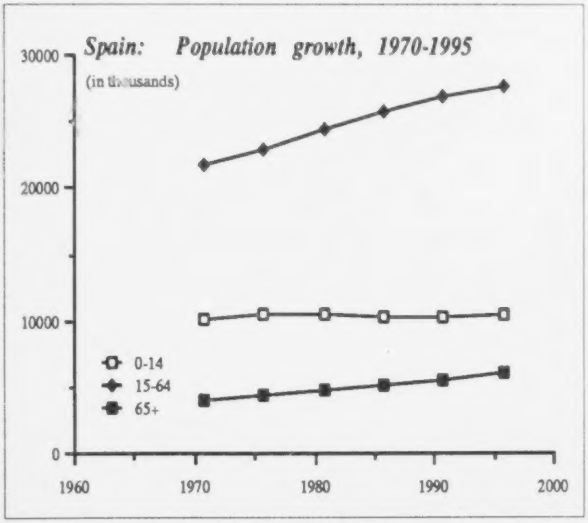
building an adequate employment base to provide the jobs that its relatively young population requires and to open new opportunities for women--especially the young--who wish to work outside the home.

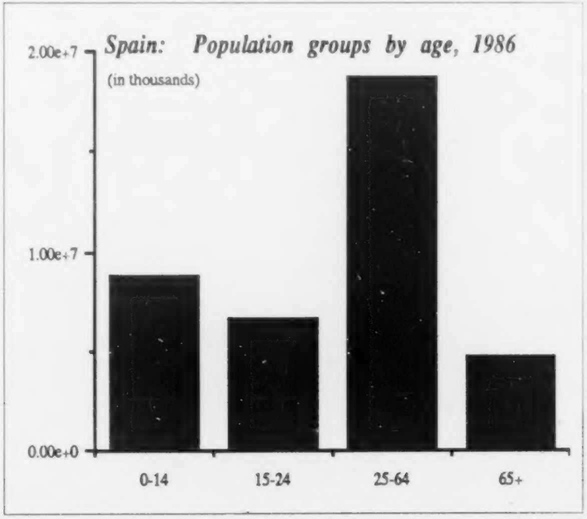
Production and related workers are the largest occupational group in Spain. Professional and technical workers are 7.5 percent of the workers and administrative, executive, and managerial occupations add only 1.4 percent.

CONSUMER DURABLES

Spain is not a market for frozen convenience foods and will probably not be a growth market for labor-saving devices for several years. While 94 percent of households have a refrigerator, only 13 percent of households have a deep freeze. Only 1 percent of households have a microwave oven, a similar share to most other OECD countries. Coffee and tea makers are relatively rare in households compared with other OECD countries. There should be growth in basic appliances and packaged goods as employment gains and more women enter the workforce.

The Spanish do not spend as much on housing and utilities as some of their European neighbors. Only 13 percent of a household's budget goes to this necessity, whereas some more northerly countries spend 20 percent of their household budget on housing. Food, beverages, and tobacco, however, take a larger percentage--30 percent of the household budget, 28 percent of which is spent on food. Transportation and communication takes only 12 percent of the household budget, compared with some other countries where the two-car household and a telephone in every household is more usual. Spending on recreation, entertainment, education, and cultural services has actually decreased in the past few years. In 1978, it took 7.4 percent of the household budget. By 1983, that had decreased to 6.5 percent. Spending on furniture and household furnishings has also decreased. These two items no doubt reflect the effects of high unemployment and deep recession and should bounce back within the next two years.





take a quick look at Spain

POPULATION

Total population (estimated 1986) | **38,792,177**
Rate of population growth (percent) | **0.54**
Lifetime births per woman (total fertility rate) | **1.74**
Birthrate (births per 1,000) | **12.85**
Death rate (deaths per 1,000) | **8.12**
Population under 15 (percent) | **22.7**
Population aged 65 plus (percent) | **12.1**
Median age | **30.9**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.3**
Number of persons per square kilometer | **77**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **74/80**
Infant mortality rate (number per 1,000 live births) | **12.1**
Population per physician/per nursing person | **360/280**
Daily calorie supply per capita (calories per person per day) | **3,237**

Education

Percent literate (male/female, total percentage) | **93/83, 88**
Number enrolled in secondary education as percentage of age group (male/female) | **86/90**
Number enrolled in higher education as percentage of population aged 20-24 | **24**

Labor force

Percent of labor force in agriculture/industry/services | **17/37/46**
Percentage of population of working age (aged 15-64) | **64**
Age-dependency ratio | **55.6**

STATUS OF WOMEN

Labor force participation rate (percent) | **33**
Number enrolled in secondary education as percentage of age group | **90**
Percent of women aged 15-49 using contraceptives | **51**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **77/23**

Population of major metropolitan areas

city name | **Madrid 3,188,217**

city name | **Barcelona 1,754,900**

Average annual growth in cities of 20,000 or more (percent) | **1.6**

Average annual growth in rural areas (percent) | **-1.8**

Rate of total population growth (percent) | **5**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$4,440**

Switzerland

THE ULTIMATE CONSUMERS

While other European countries and the United States debate the problems of immigration, Switzerland entertains one of the largest proportions of foreign workers of any country in the world. Fifteen percent of the country's population come from somewhere else, and more than 20 percent of the labor force is made up of year-round foreign workers. One reason the Swiss may not be quite as concerned as the Americans or the West Germans is that most of their foreign workers are from neighboring European countries. They speak languages and have cultures and religions that are familiar to the average Swiss. Italians make up the largest group of foreign workers, followed by Spaniards, French, and Germans.

Aside from the foreign workers, there are no distinct ethnic or minority groups in Switzerland. The country relies on two languages--French and German--and the Swiss are required to learn more than one language in school. The country is about half Protestant and half Roman Catholic. It is common for Swiss couples to have different mother tongues and different religious beliefs, so thoroughly multicultural is the nation.

HEADING FOR ITS ROCKING CHAIR

Switzerland is still categorized as an Ultimate Consumer country but its low birthrates and rapidly aging population will move it into the Rocking Chair category at some time in the next five years.

Presently, people aged 0 to 14 and those aged 65 and over hold equal shares of the population--about 15 percent each. But, in just four years, projections show that the older group will have outdistanced the younger. By 1990, the group aged 65 and older is expected to be about 17 percent of the population, while the younger group will have declined to only 13.5 percent. And, by 1995, the imbalance will be even greater--19 percent for those aged 65 and older and only about 12 percent for those under age 14. Switzerland will soon face the problems of its neighbors.

> ***The Swiss GNP per capita is the highest in the world and its unemployment rate one of the lowest.***

The one factor that has slowed the growth of the aging as a share of the population in Switzerland is the presence of the foreign workers. But unlike some other countries, where foreign families contribute to the birthrate substantially, foreign workers in Switzerland tend to be primarily men and temporary workers--younger than their Swiss counterparts, but not making a contribution to birth statistics. Thus, the birthrate remains one of the lowest among European countries at 11.4 births per thousand.

AN AFFLUENT SOCIETY

The Swiss GNP per capita is the highest in the world and its unemployment rate one of the lowest. In 1986, The World Bank put the Swiss GNP per capita at $17,010. Its unem-

*See the July 1984 issue of **International Demographics** for in-depth consumer information about Switzerland. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

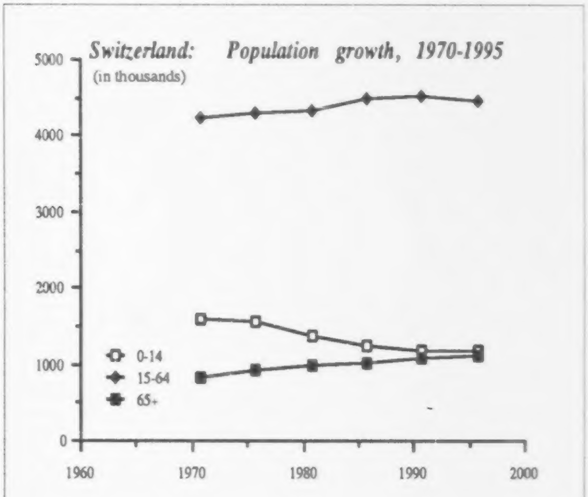
ployment rate is about 1 percent, another reason why there is less concern than in some other countries about foreign workers. About 37 percent of Swiss workers are women and nearly 50 percent of the eligible women in Switzerland participate in the workforce, thus making the two-income household a norm.

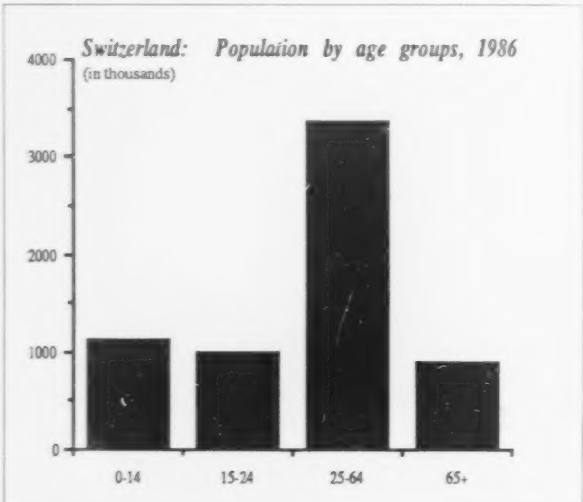
Despite Switzerland's reputation as a center for banking and other financial services, it still maintains strong agricultural and industrial sectors. While 55 percent of the labor force works in services (and Switzerland is highly dependent on tourism, which increases the number of service workers), nearly 7 percent are still employed in agriculture and fully 37 percent work in industry, manufacturing such products as chocolate, watches, and other precision instruments for which the Swiss are well-known.

The average Swiss manufacturing worker takes home 87.9 percent of his gross pay, when family benefits are included, but after taxes and social security deductions are taken out. This is about 10 percent more than in such countries as West Germany and Sweden and may account for the fact that the Swiss consumption of household goods is fairly high in comparison with some of their neighbors. The Swiss save about 4 percent of their disposable income.

SWISS CONSUMPTION

The high percentage of women working in Switzerland may contribute to its relatively high percentage of ownership of such appliances as refrigerators and food processors. While showing low rates of television ownership compared with other European nations (the topography of Switzerland makes it a prime candidate for cable television to ensure good reception), nearly 100 percent of households have radios and 85 percent of households have tape cassettes.





take a quick look at Switzerland

POPULATION

Total population (estimated 1986) | **6,551,551**
Rate of population growth (percent) | **0.334**
Lifetime births per woman (total fertility rate) | **1.52**
Birthrate (births per 1,000) | **11.40**
Death rate (deaths per 1,000) | **9.24**
Population under 15 (percent) | **17.0**
Population aged 65 plus (percent) | **14.5**
Median age | **36.5**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **49.7**
Number of persons per square kilometer | **154**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **78/74/81**
Infant mortality rate (number per 1,000 live births) | **6.2**
Population per physician/per nursing person | **390/130**
Daily calorie supply per capita (calories per person per day) | **3,472**

Education

Percent literate (male/female, total percentage) | **NA**
Number enrolled in secondary education as percentage of age group (male/female) | **65/74**
Number enrolled in higher education as percentage of population aged 20-24 | **23**

Labor force

Percent of labor force in agriculture/industry/services | **7/38/55**
Percentage of population of working age (aged 15-64) | **69**
Age-dependency ratio | **46.3**

STATUS OF WOMEN

Labor force participation rate (percent) | **50**
Number enrolled in secondary education as percentage of age group | **74**
Percent of women aged 15-49 using contraceptives | **70**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **58/42**
Population of major metropolitan areas
    city name | **Zurich 839,939**
    city name | **Basel 364,976**
Average annual growth in cities of 20,000 or more (percent) | **0.6**
Average annual growth in rural areas (percent) | **-0.4**
Rate of total population growth (percent) | **0.3**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$17,010**

Netherlands

THE ULTIMATE CONSUMERS

Because of its size, its location, and its independent spirit, The Netherlands has always been an outward-looking country. Global trade has historically been its forte, and Dutch businessmen look constantly for new opportunities. Not only do they reexport items they have finished, assembled, packaged or incorporated into their own products, but they also make extensive investments outside their own country. The Netherlands is more important in foreign trade than its population indicates.

Another plus for Americans who wish to work with Dutch businessmen is that most of them assume no one should be forced to learn Dutch, instead believing English is the language of international business. One indication of the strength of this conviction is the increasing number of students earning degrees in English--in 1981, 213 degrees in English were granted, up from 57 only 10 years before. Dutch businessmen are strategically oriented and follow trends to help them learn about new opportunities both in their own country and abroad.

WOMEN'S UPWARD MOVEMENT GOES AT A SLOW PACE

The Netherlands' age distribution, its devotion to education, its declining birthrate, its high degree of urbanization, and the Dutch reputation for highly individualistic behavior make one believe that its women would be economically active. However, the proportion of the labor force made up of women is similar to more rural and less sophisticated countries. Only about 34 percent of the labor force is female, and at least 17 percent of women work part-time. Part-time workers are especially prevalent in services such as restaurants and hotels, banking and insurance.

Between the ages of 15 and 24, men and women participate equally in the labor force--about 49 percent of each age group are working. However, between the ages of 25 and 49, 96 percent of men are in the labor force, but still only 49 percent of women. Between the ages of 50 and 64, 69 percent of men are working, but only 19 percent of women. And after age 65, 3 percent of men continue to work, but less than one percent of women stay in the labor force. While women are not as economically active as in some other Ultimate Consumers, their labor force participation has increased since 1971, when about 26 percent of them worked. Now, 40 percent of those aged 15 and older are in the labor force.

> ***While Dutch women are not as economically active as women in some Ultimate Consumer countries, they are entering the workforce in increasing numbers.***

Women do not obtain higher education at the same rate as men, although changes are in the wind. In 1970/71, only 14 percent of university degrees went to women. By 1981/82, 28 percent of degrees were earned by women.

Some professional fields appear to be more open to women. In 1971, only 21

See the December 1985 issue of ***International Demographics*** *for in-depth consumer information about The Netherlands. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

percent of the law degrees earned went to women, but by 1981 their share had decreased to 30 percent of law degrees. In medicine, 19 percent of the degrees earned went to women in 1971. By 1981, that share had declined to 21 percent of degrees earned.

While their participation at university is not as high as men's, women are more likely than men to earn a vocational degree. In 1982, 54 percent of vocational degrees were earned by men. But women are more apt to earn vocational degrees on a part-time basis. And, while men's vocational degrees are in such fields as technical, economic, and administrative training, women tend to earn their vocational degrees in teachers' training.

OLDER AGE GROUPS FASTEST GROWING

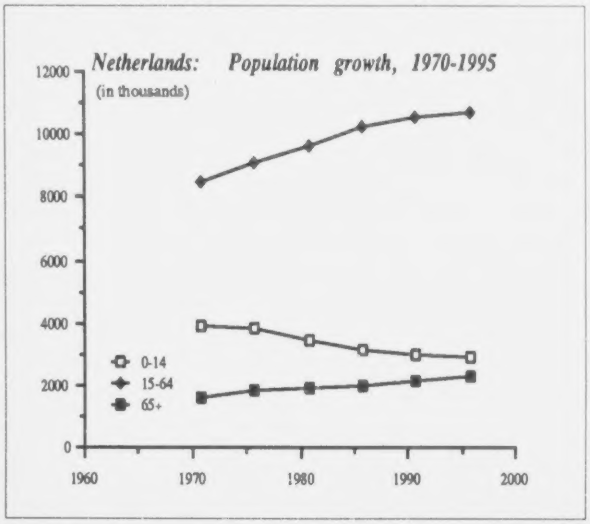
As in most of the Ultimate Consumers, women far outnumber men after age 55 in The Netherlands. Until then, their numbers are more in balance. About 19 percent of the population is aged 15 and under and nearly 12 percent is aged 65 and older. As in most developed countries, the age groups that are growing are 20 to 44 and aged 55 and over. The Netherlands is beginning to take a careful look at its health care policies in an attempt of accommodate its aging population.

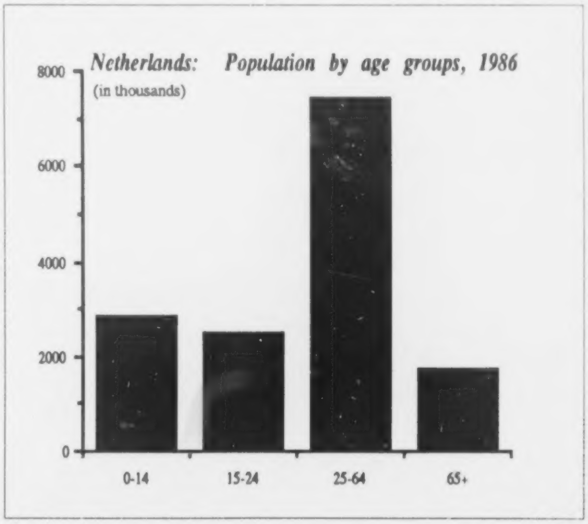
LEISURE CLASS TAKES TO RECREATION AND CULTURE

The middle-aged in The Netherlands appear to partake more in cultural and recreational activities now than they did in the mid-1970s. In 1974, 29 percent of persons aged 35 to 64 said they went to the ballet, concerts, opera, and so forth. By 1980, 36 percent of the same age group said they attend those events. Those who participated in swimming increased from 32 percent of the age group in 1974 to 44 percent in 1980. Listening to tapes, records, and cassettes increased from only 66 percent of 35-to-64-year-olds in 1974 to 78 percent of the age group in 1980. Participation in general sports activities increased from 19 percent to 29 percent of the 35-to-64-year-old group.

Among 18-to-34-year-olds, there were also increases in listening to records, tapes, and cassettes, signifying a continuing market for those items. The biggest increase in television watching was among those aged 65 and older. In 1974, 91 percent said they watched television. By 1980, 96 percent said they did so.

Bicycles are a significant means of transportation in The Netherlands. Surveys show that at least a quarter at all transportation for day trips away from home is by bicycle and that, even on short vacations, 10 percent of trips are by bicycle.





take a quick look at the Netherlands

POPULATION

Total population (estimated 1986) | **14,566,531**
Rate of population growth (percent) | **0.52**
Lifetime births per woman (total fertility rate) | **1.52**
Birthrate (births per 1,000) | **12.44**
Death rate (deaths per 1,000) | **8.50**
Population under 15 (percent) | **18.96**
Population aged 65 plus (percent) | **12.27**
Median age | **33**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **52.2**
Number of persons per square kilometer | **355**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **77/73/80**
Infant mortality rate (number per 1,000 live births) | **8.3**
Population per physician/per nursing person | **480/NA**
Daily calorie supply per capita (calories per person per day) | **3,477**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **97/93**
Number enrolled in higher education as percentage of population aged 20-24 | **31**

Labor force

Percent of labor force in agriculture/industry/services | **5/27/68**
Percentage of population of working age (aged 15-64) | **69**
Age-dependency ratio | **45.8**

STATUS OF WOMEN

Labor force participation rate (percent) | **39.8**
Number enrolled in secondary education as percentage of age group | **93**
Percent of women aged 15-49 using contraceptives | **75**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **88/12**

Population of major metropolitan areas

city name | **Amsterdam 676,439**

city name | **Rotterdam 555,349**

Average annual growth in cities of 20,000 or more (percent) | **0.5**

Average annual growth in rural areas (percent) | **0.5**

Rate of total population growth (percent) | **0.5**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$9,520**

United States

THE ULTIMATE CONSUMERS

The sheer size of the United States --nearly 241 million people--and its relatively high standard of living make it an attractive target market for almost every product and service. But there are still demographic trends that make it more attractive for some products and services than for others.

MASS MARKET CHANGES

The United States of the 1950s offered a mass market. After World War II, Americans settled into home and family with a vengeance. They needed washing machines, refrigerators, cars, and other goods. If a neighbor's children ate Jello, a woman wanted Jello for her children too. White appliances and red Jello would do for everyone.

But as the society has grown and developed, meeting individual wants and desires has become the key to marketing. There can be two people, both aged 45, both earning $70,000. One will buy a Winnebago and the other will buy a Mercedes Benz sports car. The first satisfies a desire for recreation. The second satisfies a desire for status and adventure. Marketers no longer assume that everyone wants and needs the same goods and services.

UNDERSTANDING THE BABY BOOM IS CRITICAL

The baby boom in the United States occurred between 1946 and 1964. While other countries such as Japan and France also experienced baby booms, none was of the size or the length of the one in the United States. The effects of that baby boom are still felt throughout society. The approximately 75 million people who are part of the baby boom set the pace in work and play in the United States because they are such a large share of the population. In 1987, they are aged 23 to 41. They are out of high school. The members of the younger group are embarking on careers and looking for lasting relationships. The members of the older group are moving into middle age and middle management, reevaluating their lives, and, in most cases, entering the most productive and best-paid time of their lives. Despite the fact that the baby boomers are widely cast as being well-off, 9 million of them live in poverty.

> ***Seventy percent of baby-boom women are in the workforce.***

The movement of all the baby boomers into their most productive years as well as into the primary years for "pairing and nesting" means substantial growth in the demand for financial services and continuing education as well as for single family housing, household furnishings, and the other trappings of family life. The fact that 70 percent of baby-boom women are in the workforce reinforces the demand for many of these items.

TRENDS IN WOMEN'S LIVES MAKE THE DIFFERENCE

Since the advent of readily available birth control in the mid 1960s, women's lives in the United States have changed dramatically and with them have come changes in the lives of men and children.

First, the birthrate has dropped dramatically. The U.S. birthrate in 1955 was 24.9 births per thousand. By 1986, it had dropped to just over 15 births per thousand. Women are still mothers, but each woman is having fewer children, and devoting less of her time and energy to childrearing.

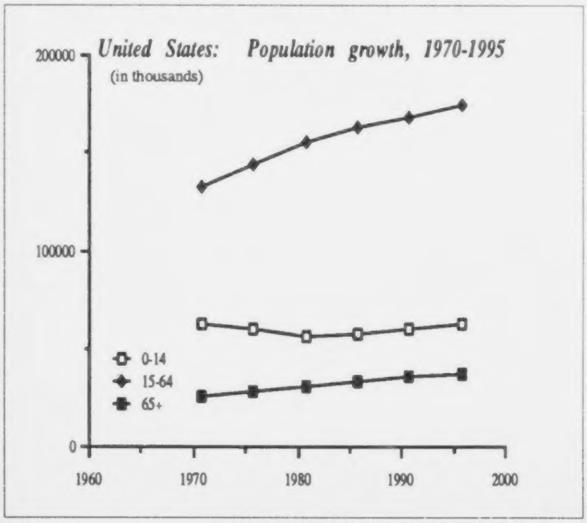
Second, women are better educated than ever before. In the United States 95 percent of young women are enrolled in high school and more than a fifth of high school graduates go on to college. Women in their 30s and 40s are increasingly returning to college to earn another degree or finish one they started. Once women have devoted two to four or more years of their life to higher education, they want to use their knowlege.

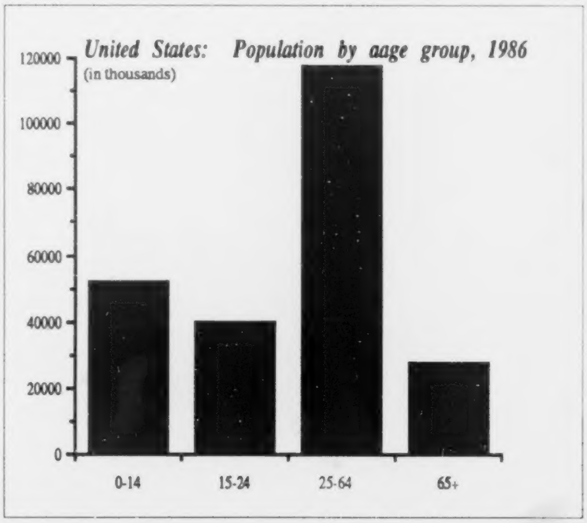
Fifty-five percent of women in the United States work at jobs outside their homes. The rate does vary slightly depending on their home situation. Among married women with children under age 6, 54 percent work. Among those with children aged 6 to 17, 68 percent work. Among married women with no children at home, 48 percent work. The majority of these women work because their families depend on their incomes to maintain the lifestyle they would like to live.

Having so many women at work has changed the way Americans live and opened up a whole spectrum of new products and services. Household cleaning services and laundries are once again in demand. Eating out has increased. Teenagers and men are increasingly responsible for household shopping, cleaning, and other chores once solely the work of women. Greater fragmentation is one of the results. In families who once ate the same meal--the one mother prepared--each member now chooses from a variety of entrees in the freezer or one family member buys Mexican take-out and another has pizza.

FRAGMENTATION

Niche marketing is the trend in the United States. Marketers must look not only at age and income, but also at lifestyles and attitudes to determine who their best potential customers are. The result seems to be an infinite opportunity to develop new products and services that fit the exact needs and wants of particular groups. Besides the opportunities offered by the fragmenting market, growth areas include health care, financial services, household services, personal electronic products, and women's business apparel.





take a quick look at USA

POPULATION

Total population (estimated 1986) | **240,856,000**
Rate of population growth (percent) | **0.9**
Lifetime births per woman (total fertility rate) | **1.8**
Birthrate (births per 1,000) | **15.7**
Death rate (deaths per 1,000) | **8.7**
Population under 15 (percent) | **21.6**
Population aged 65 plus (percent) | **12.2**
Median age | **31.7**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **51**
Number of persons per square kilometer | **66.6**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **71/78**
Infant mortality rate (number per 1,000 live births) | **10.6**
Population per physician/per nursing person | **455/169**
Daily calorie supply per capita (calories per person per day) | **3,450**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **95/95**
Number enrolled in higher education as percentage of population aged 20-24 | **23**

Labor force

Percent of labor force in agriculture/industry/services | **3/27/70**
Percentage of population of working age (aged 15-64) | **66**
Age-dependency ratio | **50**

STATUS OF WOMEN

Labor force participation rate (percent) | **54.5**
Number enrolled in secondary education as percentage of age group | **95**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **76/24**
Population of major metropolitan areas
    city name | **New York 7,165,000**
    city name | **Los Angeles 3,097,000**
Average annual growth in cities of 20,000 or more (percent) | **1.0**
Average annual growth in rural areas (percent) | **0.8**
Rate of total population growth (percent) | **0.9**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$15,475**

Union of Soviet Socialists Republic

THE ULTIMATE CONSUMERS

If the USSR were an open, middle-class market, it would be the most likely target for European and Asian countries which now zero in on the United States. The USSR, with a population of 281 million people, is larger than the United States, is growing at about the same rate, and is slightly younger. In comparison with Western European countries, it is considerably younger than most, growing more quickly, and it could offer a market that is almost as large as all of Western Europe combined.

Alas it is not to be. But an understanding of Soviet demographics is important because of its position as a world power and its trading potential for business-to-business and high-tech products.

ETHNIC MAKE-UP IS CHANGING

Most marketers want to know, at a minimum, the GNP per capita in a market. For the USSR, it is difficult to calculate some equivalent GNP in dollars, but the most recent figures from The World Bank for 1980 set the per capita GNP at about $4,190. Ranking all Eastern European markets in 1980, the GNP per capita in the USSR was lower than that calculated for East Germany, Czechoslovakia, and Hungary, but higher than that for Poland, Bulgaria, Romania, and Yugoslavia.*

Age distribution is important in any culture. In the USSR, the median age is 30.3 years, one year less than the median age in the United States, and 3 or 4 years less than most members of the Common Market. Despite its moderate median age, the USSR is a country of age extremes because of differences in the birth and death rates among ethnic groups.

Birthrates are dropping and death rates are rising slightly among European Russians--so-called Great Russians--causing that population to be in decline. At the same time, birthrates are substantially higher among people who live in the Moslem republics of Central Asia--so much so that in some parts of the Republic birthrates of the Central Asians are as much as triple those of the European Russians. When all ethnic groups are taken into account, Soviet women have 2.5 children on average, compared with about 1.9 children per woman in the United States.

> ***European Russians who made up 52.4 percent of the population in 1979 are expected to decline to 46.7 percent of the population by the turn of the century, while Moslems, only about 16 percent in 1979, will increase to about 21 percent of the population.***

The European Russians who made up 52.4 percent of the population in 1979 are expected to decline to 46.7 percent of the population by the turn of the century, while Moslems, only about 16 percent in 1979, will increase to about 21 percent of the population. Ukrainians, Balts, Belorussians, and other groups make up the rest. This shift in ethnic groups will also shift the make-up of recruits into the military as well as entry-level workers in the labor force.

For a full discussion, see* ***Dollar GNPs of the USSR and Eastern Europe,* *The World Bank, 1985.*

The differences in age distribution among ethnic groups, however, result in nearly half of the population being dependent on the labor force, a situation slightly less desirable than that usually found in Rocking Chair countries.

THE STATUS OF WOMEN

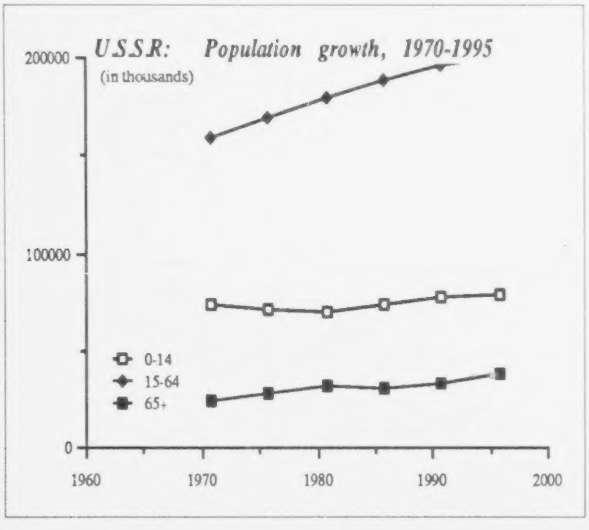
Much is made of the equal opportunities afforded to Soviet women, and women who are interviewed by the press are often scientists, physicians, or others in highly-skilled positions. However, while 82 percent of Soviet young men are enrolled in secondary school, only 77 percent of women are enrolled. At the same time, Soviet custom and necessity require everyone to have a job. But because women fall behind men in educational attainment, they are less competitive in the job market.

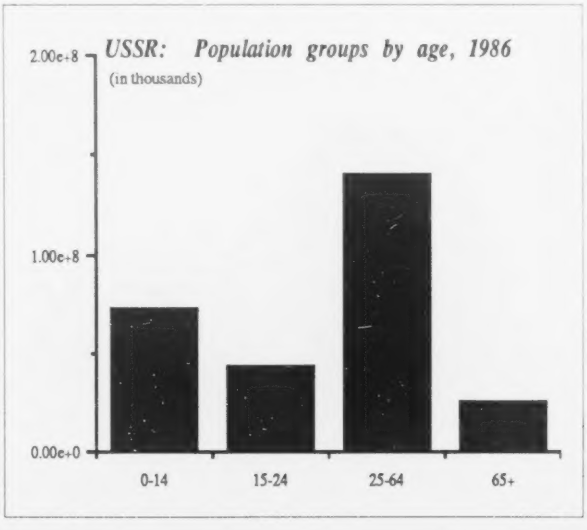
The lack of labor saving devices available to Soviet families means that women spend more than 30 hours a week on shopping and housework. Euromonitor has been able to collect statistics on ownership for only a few appliances. Euromonitor finds that 65 percent of Soviet households have a refrigerator, 55 percent have a washing machine, 38 percent have a television, and 40 percent have a radio. Data on other appliances are not available, but the percentage of households without a refrigerator is the highest among all European countries except for Romania and Bulgaria. Shopping then is almost a daily occurrence. Add food shortages to storage problems and it is apparent how much time must be spent involved with household chores.

A DECLINE IN HEALTH

The rising death rates in the USSR and the growing concern of politicians about the decline among the Great Russian population could allow one Western market force--health care--to have an impact in Russia. By and large, Western nations have taken advantage of medications that help to prevent strokes caused in part by high blood pressure. They have reduced cigarette smoking. In this area, the USSR lags way behind.

Men in the USSR are plagued by high levels of alcoholism, even though reported consumption figures do not show especially high levels of alcohol consumption per capita among the Soviet people as a whole.





take a quick look at USSR

POPULATION

Total population (estimated 1986) | **281,511,845**
Rate of population growth (percent) | **0.93**
Lifetime births per woman (total fertility rate) | **2.52**
Birthrate (births per 1,000) | **19.95**
Death rate (deaths per 1,000) | **10.70**
Population under 15 (percent) | **27.3**
Population aged 65 plus (percent) | **19.3**
Median age | **30.3**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.2**
Number of persons per square kilometer | **12**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **63/73**
Infant mortality rate (number per 1,000 live births) | **27.0**
Population per physician/per nursing person | **260/280**
Daily calorie supply per capita (calories per person per day) | **3,881**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **82/77**
Number enrolled in higher education as percentage of population aged 20-24 | **21**

Labor force

Percent of labor force in agriculture/industry/services | **20/39/41**
Percentage of population of working age (aged 15-64) | **66**
Age-dependency ratio | **51.8**

STATUS OF WOMEN

Labor force participation rate (percent) | **67.1**
Number enrolled in secondary education as percentage of age group | **77**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **66/34**
Population of major metropolitan areas
city name | **Moscow 8,546,000**
city name | **Leningrad 4,832,000**
Average annual growth in cities of 20,000 or more (percent) | **1.9**
Average annual growth in rural areas (percent) | **-0.8**
Rate of total population growth (percent) | **0.93**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$4,190**

Yugoslavia

THE ULTIMATE CONSUMERS

As a pivotal country located on the edge of the Iron Curtain, governed by Communists, yet with a capitalistic nature, Yugoslavia walks a fine line. Its economic well-being, however, is highly dependent on its relationship with non-Communist countries. Among the Eastern Bloc countries, it is one of the few that looks westward rather than eastward. Keeping it turned in that direction is one of the reasons Western European governments include attention to Yugoslavia in their economic and social planning.

In 1983, 1.5 million Yugoslavians were resident in foreign countries. A million of them lived in Europe. They remitted $4.4 million a year in hard currency to their home country. In Yugoslavia remittances are the second most important source of hard currency after exports.

As the Western European countries have decreased their reliance on migrant labor, fewer Yugoslavians have opportunities in the European Community. Still, the ones who migrated at an earlier time continue to send remittances home. Those remittances were about 20 percent of current accounts receipts in 1985.

The World Bank estimated annual per capita GNP in Yugoslavia for 1983 at $2,490. Its preliminary estimate for 1984 declined to $2120. A World Bank study done in 1980 which attempted to quantify and compare incomes of the USSR and Eastern Europe gave Yugoslavia the lowest per capita GNP of the eight countries.

NEED FOR MODERNIZATION

Among other items, Yugoslavia's important exports include wine and textiles and apparel. Although it has a range of industries, many are old-fashioned and the country is not very export oriented. Its main task is to modernize the factories and make its manufacturing more competitive. This is especially important with the entry of Spain and Portugal into the European Community. These two countries share many characteristics with Yugoslavia, but they will now have the competitive advantage of EC membership.

> ***A World Bank study done in 1980 which attempted to quantify and compare incomes of the USSR and Eastern Europe gave Yugoslavia the lowest per capita GNP of the eight countries.***

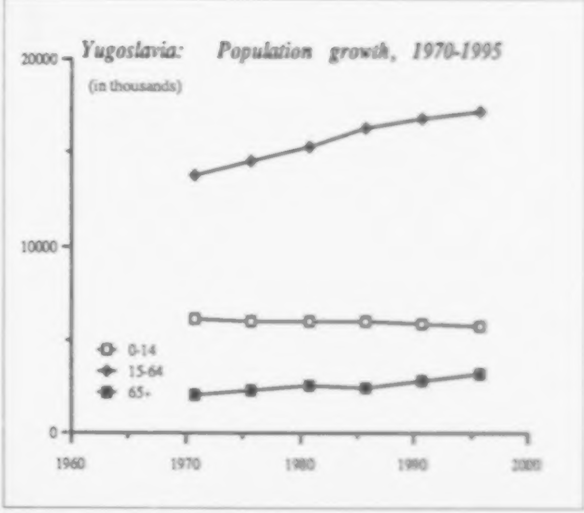
YOUNGER THAN THE REST OF EUROPE

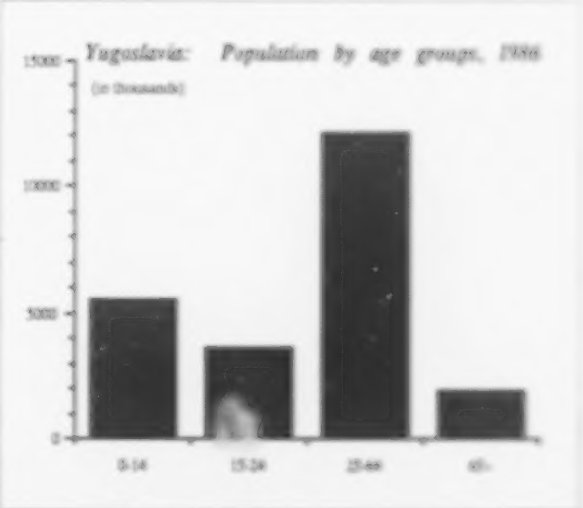
Like many other Mediterranean countries, Yugoslavia has a young age structure. Nearly 24 percent of its population are children aged 0 to 14. Only 8 percent of its residents--a very small percentage compared with other European countries--are aged 65 and over. Median age is 31 years. Life expectancy is still only 68 years for men and 73.5 years for women so the aging population will continue to grow slowly until general health conditions and health care improve in the country. Not until 1995 are those aged 65 and over expected to reach even 10 percent of the population.

Those of working age, on the other hand, continue to make up about 68 percent of the total population. These people will need jobs at home as the ability to find jobs as migrant laborers in nearby markets is diminishing. One way to provide new jobs is to modernize industry and expand export capability.

TOURIST INDUSTRY ON THE RISE

Tourism has grown strongly in recent years. In 1984, nights spent in accommodations increased by 19.6 percent over the prior year, the highest increase among all European countries. Receipts from tourism increased 46 percent in real terms between 1983 and 1984. In 1984, Yugoslavia had as many hotels as did Switzerland. It also had the most campsites of any of the Mediterranean countries except Italy. While countries such as Hungary and Poland attract the majority of their visitors from other Eastern European countries, the top contributors of tourists to Yugoslavia are West Germany, Italy, Austria, and the United Kingdom.





take a quick look at Yugoslavia

POPULATION

Total population (estimated 1986) | **23,277,531**
Rate of population growth (percent) | **0.67**
Lifetime births per woman (total fertility rate) | **2.05**
Birthrate (births per 1,000) | **15.82**
Death rate (deaths per 1,000) | **9.17**
Population under 15 (percent) | **23.7**
Population aged 65 plus (percent) | **8.6**
Median age | **31.6**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **49.4**
Number of persons per square kilometer | **91**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **68/74**
Infant mortality rate (number per 1,000 live births) | **26.7**
Population per physician/per nursing person | **670/300**
Daily calorie supply per capita (calories per person per day) | **3,575**

Education

Percent literate (male/female, total percentage) | **92/86, 89**
Number enrolled in secondary education as percentage of age group (male/female) | **86/80**
Number enrolled in higher education as percentage of population aged 20-24 | **20**

Labor force

Percent of labor force in agriculture/industry/services | **32/33/34**
Percentage of population of working age (aged 15-64) | **67**
Age-dependency ratio | **46.8**

STATUS OF WOMEN

Labor force participation rate (percent) | **26**
Number enrolled in secondary education as percentage of age group | **80**
Percent of women aged 15-49 using contraceptives | **55**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **46/54**

Population of major metropolitan areas
    city name | **Belgrade 1,470,073**
    city name | **Zagreb 768,600**

Average annual growth in cities of 20,000 or more (percent) | **2.5**

Average annual growth in rural areas (percent) | **-0.7**

Rate of total population growth (percent) | **0.67**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$2,490**

THE ROCKING CHAIRS

Europe is soon to become an old folk's home. The rocking chairs are already filled in Denmark, Sweden, West Germany, and the United Kingdom. But after the turn of the century, when the children of the baby-boom begin to enter the ranks of the elderly, the real geriatric boom will take off in the highly industrialized countries.

At present, the proportion of those over 60 in the populations of the Rocking Chair countries--Denmark, Sweden, West Germany, and the United Kingdom--all top 19 percent of the total population. By the year 2000, the elderly will make up about 20 percent of the populations of these Rocking Chair countries, with their share expected to jump by 2025 to 29.8 percent in Denmark, 29.5 percent in Sweden, 27.4 percent in West Germany, and 25.4 in the United Kingdom.

Aging will be expensive for the industrial world. With population growth static or even drastically declining and the number of pensioners increasing, a shrinking workforce will have to pick up a bigger and bigger bill for pensions. Restrictive immigration policies of today may well look odd to hard-pressed future generations of workers. Even if robots take up some of the slack, the Rocking Chair countries and those soon to be will need someone to do their work. Asians and North Africans are likely migrants.

THE MATURE MARKET

Aging takes on particular significance in light of the fact that age and income are the two most important demographic characteristics in determining what a person will buy. The products and services that people are most likely to purchase are often related to their age. Older West Germans, for example, are a good market for vacation travel and health care products.

Income trends are also vital in understanding a market's potential. Factors such as whether or not persons must themselves finance their retirement, the need for sheltered housing, health care costs, and the level of government social security and support service expenditures need to be considered. Drawing conclusions about the purchasing power of the elderly by looking at income statistics alone is risky. Often retired households are a better market than they first appear due to fewer people in the household, lower financial obligations, and the tendency to have a variety of noncash benefits.

Changes lie ahead in the purchasing behavior of mature households as more educated, more moneyed middle-aged people enter the ranks of the elderly. Increasing incomes and rising levels of education should bring their consumption patterns more into line with those of younger consumers.

AGING AND THE ECONOMY

Every age group in the Rocking Chair countries is affected by aging. The shifting relative weight of the elderly is accompanied by changes in the age structure of the populations of children and persons of working age. The importance of children decreases and attention to older persons in the working-age population increases. As a population ages, smaller numbers of economically active people must support increasing numbers of retired persons. In 1980, the number of persons available to support one retired person, or the number of persons of working age (15 to 59) per person in the 60-plus age group, was 3.1 in Denmark, 2.7 in Sweden, 2.9 in the United Kingdom, and 3.3 in West Germany. By 2025, there will only be 2.2 working-aged people available to support one retired person in Denmark, 2.2 in Sweden, 1.9 in the United Kingdom, and 1.9 in West Germany.

Increasing real dependency rates among the elderly affect such socioeconomic development variables as manpower availability and productivity, the allocation of national budgets, and general patterns of consumption, investment, and savings. All these variables in turn influence the rate of economic growth of a country. In countries with well-developed social security systems, the members of the labor force must bear the burden of increased outlays in the national budget for pension and social service expenditures. In addition, the burden of supporting long-lived parents in countries with traditionally small completed family sizes is distributed among fewer children.

WHY POPULATIONS AGE

Declining fertility is the most influential factor in the population aging process. Decreases in mortality play a secondary role. When fertility levels fall and low mortality rates remain constant, population growth slows and the relative size of the adult population increases.

Declining fertility rates since the 1960s have left all of the Rocking Chair countries with below-replacement reproduction. A fertility rate of about 2.1 children per woman is considered to be at replacement level as it allows a couple to replace themselves, given an allowance for some mortality in childhood.

Sweden's total fertility rate of 1.6 births per woman and the United Kingdom's rate of 1.7 births per woman place them well below replacement level. However, the world's lowest recorded levels in modern history belong to West Germany and Denmark. West Germany and Denmark, both with fertility rates of 1.4 births per woman, fall more than 30 percent below replacement level. In these countries, the number of women in a particular generation will not be replaced by the same number of daughters in the next generation. One hundred women will have only 130 to 140 live-born children whereas 210 are needed to guarantee a stationary population.

WHAT LIES AHEAD

A return to replacement-level fertility in any Rocking Chair country is not expected under the present socioeconomic and cultural conditions. In fact, the experiences of these countries are seen as the wave of the future for the highly industrialized countries--the Ultimate Consumers. With the individual's or couple's needs satisfied with one or two children in these societies, current fertility behavior is expected to continue even in light of the fact that without relying on immigration, a society needs many families of three children to perpetuate itself.

All of the following Ultimate Consumer countries are slated to join the ranks of the Rocking Chairs by the year 2000: Austria, Belgium, Canada, Finland, France, Greece, Italy, Japan, Luxembourg, The Netherlands, New Zealand, Norway, Spain, Switzerland, Yugoslavia, the USSR, and the U.S.

The specter of resultant social tensions attending rapid population aging now troubles government planners. Assimilating foreign workers presents a major task. In addition, new government responses are needed for pension insurance reform, rising health costs, and education deployment. Family policy must remove obstacles preventing couples from having more than one child. More equitable taxation, easing the reemployment of mothers who have left the workforce for childrearing, and providing services that allow women to remain in the workforce while raising children are positive options for reconciling women's emancipation with the possibility for women to have several children.

Denmark

THE ROCKING CHAIRS

Denmark's population is already one of the world's oldest. And its aging process has just hit its stride. Its already disproportionate number of old people will grow more so in the future. By the year 2020, only two Danes will be available to support one elderly person. About 30 percent of its population will be over 60.

This trend necessitates new market strategies to reach consumers of higher ages. How the elderly use their leisure time and cope with overcoming the loneliness of old age are important considerations in marketing to a graying society.

HIGH DISPOSABLE INCOME

Denmark's 1986 population of about 5.1 million people is expected to remain relatively stable until the year 2000 and then decline to about 4.8 million in 2020. Yet, what Denmark lacks in population is made up for in disposable income. Per capita GNP in 1981 was $12,790 (compared to $12,530 for the U.S.)--the tenth highest per capita GNP recorded. The combination of extensive social welfare benefits and high per capita GNP results in high disposable household incomes.

Denmark's high percentage of women at work contributes greatly to its high disposable income. In 1983, a higher percentage of married women worked in Denmark than in any other rocking chair country or any of the European Community countries.Thirty-nine percent of all married women worked, as compared to only 15 percent in West Germany, 29 percent in the United Kingdom, and 22 percent of all married European Community women. Denmark also had the largest proportion of all women in the population working, 49 percent as compared to only 25 percent in West Germany.

> ***In 1983, a higher percentage of married women worked in Denmark than in any other Rocking Chair country or any of the European Community countries.***

GROWING PROPORTIONS OF ELDERLY

Denmark's positive annual growth rate (consistently under 1 percent since the 1950s) will become negative in the period 1990-1995, averaging about -0.02 percent annually. Denmark's total fertility rate of 1.4 children per woman is well below the 2.1 children per woman needed for natural replacement of the population. Low fertility is in part due to Denmark's high average age at first marriage, 28 for men and 25 for women, as compared to 25 for American men and 22 for American women.

Although population growth in Denmark will be static for the next 15 years at which point it will begin to gradually decline, persistent alterations in the age structure will result in a growing proportion of elderly people in society. Danes over 60, accounting

See the November 1983 issue of ***International Demographics*** *for in-depth consumer information about Denmark. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

for 19.3 percent of the total population in 1980, are expected to make up 20.6 percent of the total population by the year 2000 and nearly 30 percent by 2025.

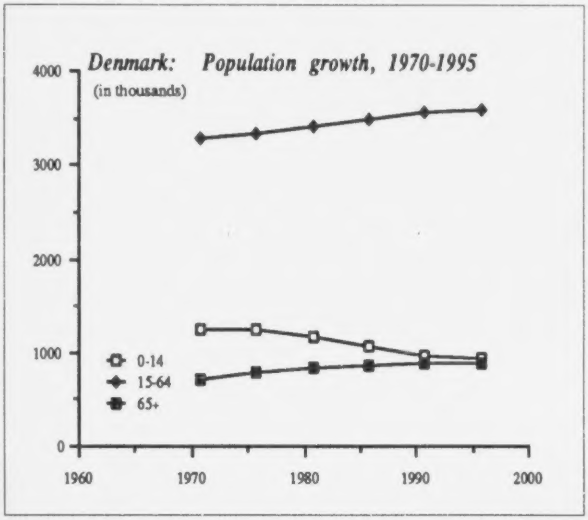
This shifting relative importance of the elderly is accompanied by a decrease in the importance of children. Those under 14, accounting in 1980 for about 21 percent of the population, will make up only 16 percent of the population in the year 2000 and 14 percent by the year 2020. The proportion of those of working age (15 to 59 years of age) will increase from about 60 percent of the total population in 1980 to 63.4 percent in the year 2000, but return to a lower figure of about 58 percent of the total population in 2020.

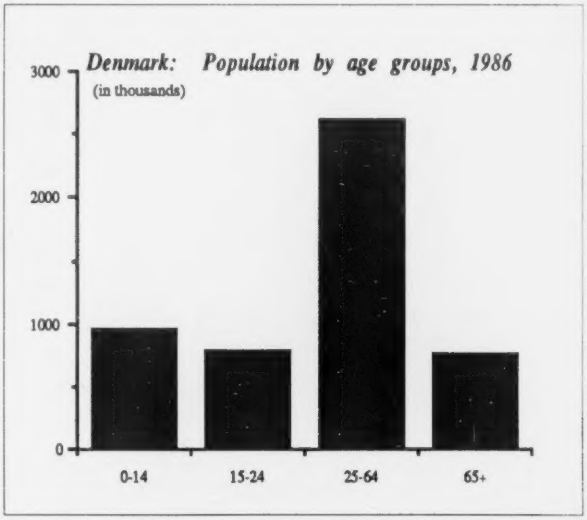
Due in part to Denmark's aging population structure, the composition of Danish households is changing. And, because Danes are marrying later in life, increasingly choosing to live together without marriage, and divorcing in increasing numbers, the "typical" Danish household is changing. In 1960, 7 percent of all households were one-person households. By 1970, this proportion had risen to 9 percent, and by 1980 to 12 percent. Single-parent households, which accounted for 4 percent of all households in 1960 and 1970, increased to 6 percent by 1980.

The "typical" nuclear family of a couple with children, which made up 57 percent of all households in 1960, fell to 52 percent of all households by 1970 and 50 percent of all households by 1980. The proportion of childless couples increased from 14 percent in 1960 to 18 percent in 1980, reflecting the rise in average age of first marriage.

WOMEN ON THE WAY UP

Denmark departs notably from its Rocking Chair counterparts of West Germany and the United Kingdom in its broad acceptance of the changing role of women in society. Not only does a higher percentage of women work in Denmark than in West Germany or the United Kingdom, but the Danish public gives these women at work a stronger vote of confidence than West Germans and Britains give their women workers. An overwhelming majority of Danes expressed equal confidence in women and men carrying out such traditionally male occupational activities as driving a bus, doctoring, and holding a seat in parliament in a 1983 OECD survey on the situation of women. Eighty percent of Danes polled expressed such confidence, as compared with only 46 percent of West Germans and 62 percent of the British. A higher percentage of Danes also favored strict equality in sharing household duties than did West Germans or Englishmen--46 percent of Danes as compared with 26 percent of West Germans.





take a quick look at Denmark

POPULATION

Total population (estimated 1986) | **5,118,046**
Rate of population growth (percent) | **0.07**
Lifetime births per woman (total fertility rate) | **1.47**
Birthrate (births per 1,000) | **10.81**
Death rate (deaths per 1,000) | **11.43**
Population under 15 (percent) | **18.0**
Population aged 65 plus (percent) | **15.26**
Median age | **35.9**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **49.4**
Number of persons per square kilometer | **119**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **75/72/78**
Infant mortality rate (number per 1,000 live births) | **NA**
Population per physician/per nursing person | **420/140**
Daily calorie supply per capita (calories per person per day) | **3,525**

Education

Percent literate (male/female, total percentage) | **NA**
Number enrolled in secondary education as percentage of age group (male/female) | **100/100**
Number enrolled in higher education as percentage of population aged 20-24 | **29**

Labor force

Percent of labor force in agriculture/industry/services | **7/27/66**
Percentage of population of working age (aged 15-64) | **67**
Age-dependency ratio | **50.6**

STATUS OF WOMEN

Labor force participation rate (percent) | **74**
Number enrolled in secondary education as percentage of age group | **100**
Percent of women aged 15-49 using contraceptives | **63**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **86/14**
Population of major metropolitan areas
  city name | **Copenhagen 1,372,019**
  city name | **Arhus 182,645**
Average annual growth in cities of 20,000 or more (percent) | **0.4**
Average annual growth in rural areas (percent) | **-2.2**
Rate of total population growth (percent) | **0.07**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$11,170**

Sweden

THE ROCKING CHAIRS

Having a sizeable elderly population is nothing new to Sweden. As far back as 1960, 17.3 percent of its population was over 60. Only West Germany had a higher proportion of elderly, at 20.2 percent of its population. Now, although West Germany has more senior citizens, Sweden holds the dubious distinction of having the highest proportion of old people in its population of any country in the world. Nearly 22 percent of Swedes in 1980 were over 60, as compared with 19.6 percent of West Germans, 19.3 percent of Danes, and 19.8 percent of the British.

FEWER BABIES, MORE OLD FOLKS

Future projections see Sweden aging much like Denmark, with the proportion of those over 60 rising to about 22.5 percent in the year 2000, and then leaping to almost 30 percent of the population in 2025. The proportion of those under 15 will drop sharply from 19.6 percent of the population in 1980 to 15.5 percent in the year 2000, thereafter leveling off at about the same percent until 2025.

Sweden's population grew steadily but slowly, from about 7 million in 1950 to its 1986 population of about 8.37 million. Sweden's population is expected to decline from this high to 8 million in the year 2000 and 7.5 million in 2025, due to declining fertility rates. In 1950, total fertility stood at about 2.2 children per woman, just above replacement level. During the period 1970 to 1975, Sweden's fertility rate dipped below replacement level to 1.89 children per woman. The current level of 1.73 children per woman is one of the world's lowest. A return to replacement-level fertility rates is not expected under current socioeconomic and cultural conditions. By the year 2000, the fertility rate is expected to rise slightly to 1.5 children per woman.

> ***Although West Germany has more senior citizens, Sweden has the highest proportion of old people in its population of any country in the world.***

Sweden's fertility rate remains way below replacement level despite government policy making it easy for working women to have children. Working women in Sweden desiring a family have the best deal now available worldwide.

In an effort to remove obstacles preventing couples from having more than one child, Sweden allows working mothers to take 52 weeks of maternity leave of which 38 weeks are paid at 90 percent of the recipient's salary. The recipient even can be the father if the family decides that it is best for him to stay with the baby and the mother return to work.

HIGH PROPORTION OF ONE-PERSON HOUSEHOLDS

Sweden has the highest proportion of one-person households of all the Rocking Chair countries and all other European Community countries as well. One-person households

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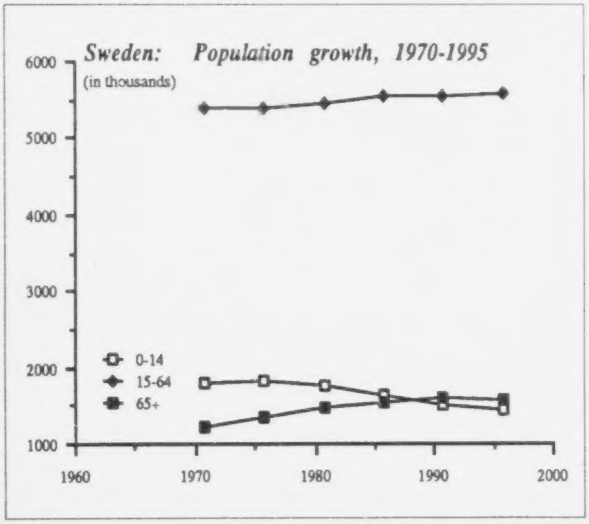
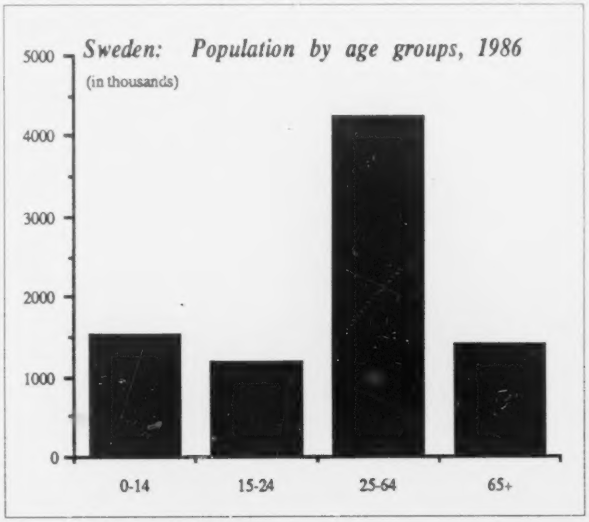
accounted for 26 percent of all Swedish households in 1980. Only France (24 percent), Luxembourg (21 percent), and the Netherlands (22 percent) had comparable proportions. Forty-two percent of Swedish households were made up of a couple with children in 1980; 26 percent were made up of childless couples; and 6 percent were single-parent households.

SEVENTH HIGHEST PER CAPITA GNP IN THE WORLD

Sweden boasts the highest per capita GNP in Scandinavia and the seventh highest per capita GNP in the world. At $14,500 in 1981, Sweden's GNP topped the U.S. figure of $12,530. It comes as no surprise then that in 1980, 68 percent of Swedes owned cars; 67 percent, washing machines; 23 percent, dishwashers; 97 percent, TVs (of which 78 percent were color TVs); refrigerators, 96 percent; and deep freezers, 68 percent.

In 1984, about 25 percent of private consumption expenditures went to purchasing food, beverages, and tobacco. Clothing and footwear took up 7.1 percent of total household expenditures; gross rent, fuel, and power, 26 percent; furniture, furnishings, household equipment and operations, 6.5 percent; medical care and health expenses, 1.6 percent; transport and communications, 15.2 percent; recreation, entertainment, and education, 9.5 percent; miscellaneous goods and services, 8 percent; and direct purchases abroad by resident households, 3.7 percent.





take a quick look at Sweden

POPULATION

Total population (estimated 1986) | **8,370,812**
Rate of population growth (percent) | **0.16**
Lifetime births per woman (total fertility rate) | **1.73**
Birthrate (births per 1,000) | **11.75**
Death rate (deaths per 1,000) | **11.36**
Population under 15 (percent) | **17.6**
Population aged 65 plus (percent) | **17.9**
Median age | **37.5**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **46.97**
Number of persons per square kilometer | **19**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **77/74/80**
Infant mortality rate (number per 1,000 live births) | **6.5**
Population per physician/per nursing person | **410/100**
Daily calorie supply per capita (calories per person per day) | **3,115**

Education

Percent literate (male/female, total percentage) | **NA**
Number enrolled in secondary education as percentage of age group (male/female) | **81/90**
Number enrolled in higher education as percentage of population aged 20-24 | **39**

Labor force

Percent of labor force in agriculture/industry/services | **5/30/65**
Percentage of population of working age (aged 15-64) | **65**
Age-dependency ratio | **54.3**

STATUS OF WOMEN

Labor force participation rate (percent) | **77**
Number enrolled in secondary education as percentage of age group | **90**
Percent of women aged 15-49 using contraceptives | **78**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **83/17**

Population of major metropolitan areas

city name | **Stockholm 650,952**

city name | **Goteborg 424,186**

Average annual growth in cities of 20,000 or more (percent) | **0.2**

Average annual growth in rural areas (percent) | **-0.3**

Rate of total population growth (percent) | **0.15**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$11,860**

United Kingdom

THE ROCKING CHAIRS

Since 1971, the population of the United Kingdom has remained fairly constant, hovering around 56 million. Slow growth is projected for the years up to the end of the century, from 56.5 million in 1986 to 57.7 million in 2001 due to a rise in births until the mid-1990s followed by a fall. However static the total, the age structure of the population will continue to undergo important changes, with the proportion of children under 15 falling and the proportion of those over 60 rising.

Aging is nothing new to Britain. Since 1951, the number of elderly has grown by over 2 million. The proportion of those over 60 leapt from 16.8 percent of the total population in 1960 to 19.8 percent in 1980. Although the aging of Britain will continue, it will slow considerably, with the proportion of those over 60 growing to only about 20 percent of the total population by the year 2000.

Although the aging of Britain is slowing down due to low birthrates in the late 1920s and 1930s, the balance of different age groups in the 65 plus group is expected to change dramatically. The proportion of those aged 65 to 74 is expected to decrease from 57 percent of those aged 65 and over in 1984 to 53 percent by the year 2001, while the proportion of those aged 85 and older jumps from 8 percent of the elderly in 1984 to 11 percent in 2001. As those aged 85 and older lead more restricted lives than their more youthful counterparts, serious problems will arise for health care providers.

MORE SPENDING POWER FOR THE ELDERLY

Not only are there more elderly people in the U.K., but they have more to spend. Disposable income per household head aged 65 or over nearly tripled since 1951 in real terms, as compared with an increase of only two-thirds for those below pension age. Income per head has risen from about 40 percent to 70 percent of non-pensioners.

> ***Aging is nothing new to Britain. Since 1951, the number of elderly has grown by over 2 million.***

Pensioners' incomes are made up of national insurance (NI) pension, occupational pensions, and income from their own savings and investments. Most elderly people qualify for NI, and a majority retire with a pension from their current or previous employer. The growing value of NI and occupational pensions compared with average take-home pay along with improved social security benefits in the areas of housing and disability has put more pounds in the pockets of the retirees relative to non-pensioners.

The younger a pensioner is, the more likely he is to have extra pounds to spend. Of those aged 60 and over, the youngest--those in the age groups 60 to 64 and 65 to 69--tend to be

See the April 1983 issue of ***International Demographics*** *for in-depth consumer information about the United Kingdom. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

better off than those 75 or over due to the increased likelihood that they are still participating in the workforce (particularly in a part-time capacity) or that they have occupational pensions. In 1982, average disposable weekly income for those aged 60 to 64 was 96 pounds and 86 pounds for those aged 65 to 69, compared to 78 pounds per week for those 75 and over. Of the non-married, men consistently had more to spend than women. For all of pension age, men had 55 pounds per week in 1982 , compared to 49 pounds per week for women.

MORE BRITISH LIVE ALONE

Going it alone, whether by choice or out of necessity, is a lifestyle more and more Englishmen are taking up. One-person households jumped from17 percent of all households in 1971 to 25 percent in l984. And, although the proportion of the elderly living alone rises steadily with age, this jump was not solely caused by greater numbers surviving into old age as widows and widowers. The proportion of those 16 to 24 and 25 to 44 living alone more than doubled over the period

In l984, 3.4 percent of those aged 16 to 24 lived alone, as compared to only 1.5 percent in 1973. For those aged 25 to 44, 5.4 percent lived alone in 1984, up from 2.4 percent in 1973.

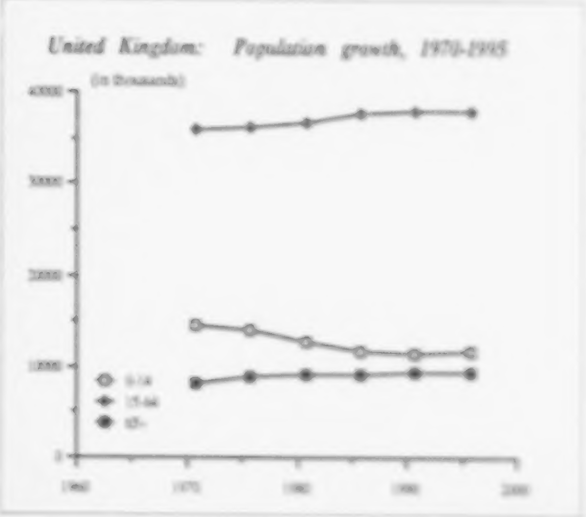
The likelihood of living alone increases with age. In 1984, of those aged 65 to 74, 28 percent lived alone. Of those over 75, nearly half lived alone.

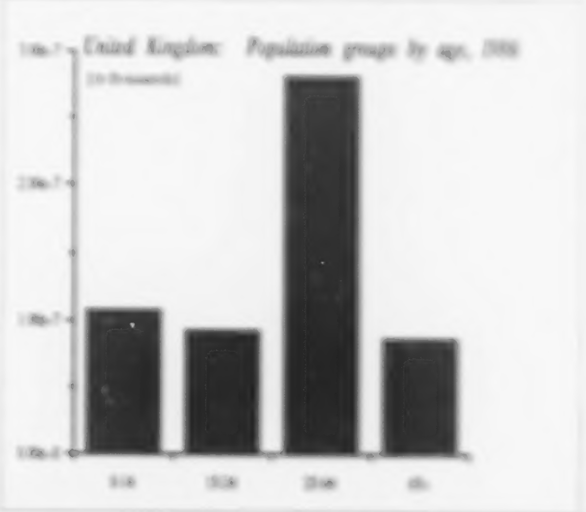
Average household size has fallen dramatically since the 1960s, from an average of 3.09 people per household in l961 to an estimated 2.59 in l984. Between 1971 and 1981, the total number of households increased by about 7 percent, while the population increased only 1 percent.

LEISURE TIME

How the aged spend their time is essential to marketers looking at a graying society. In 1985, retirees in the U.K. spent an average of 49.8 hours a week on essential activities such as shopping, eating meals, etc.; 60.2 hours sleeping (compared to a worker's 57 hours); and 58 hours on free-time activities, according to the General Household Survey. Retirees had about four times the free time of an average worker, and about twice that of an average housewife.

Of home-based activities for women, 32 percent listened to tapes and records, 37 percent gardened, 44 percent did needlework and/or knitting, 13 percent did home repairs, and 59 percent read books. Of home-based activities for men, 40 percent listened to records or tapes, 59 percent gardened, 39 percent did house repairs, and 51 percent read books.





take a quick look at United Kingdom

POPULATION

Total population (estimated 1986) | **56,757,440**
Rate of population growth (percent) | **0.15**
Lifetime births per woman (total fertility rate) | **1.79**
Birthrate (births per 1,000) | **13.39**
Death rate (deaths per 1,000) | **11.87**
Population under 15 (percent) | **19.0**
Population aged 65 plus (percent) | **15.2**
Median age | **35.1**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **47.8**
Number of persons per square kilometer | **228**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **72/78**
Infant mortality rate (number per 1,000 live births) | **9.5**
Population per physician/per nursing person | **680/120**
Daily calorie supply per capita (calories per person per day) | **3,226**

Education

Percent literate (male/female, total percentage) | **99/99, 99**
Number enrolled in secondary education as percentage of age group (male/female) | **81/84**
Number enrolled in higher education as percentage of population aged 20-24 | **20**

Labor force

Percent of labor force in agriculture/industry/services | **3/38/59**
Percentage of population of working age (aged 15-64) | **65**
Age-dependency ratio | **51.6**

STATUS OF WOMEN

Labor force participation rate (percent) | **56.5**
Number enrolled in secondary education as percentage of age group | **84**
Percent of women aged 15-49 using contraceptives | **77**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **92/8**

Population of major metropolitan areas
city name | **Greater London 6,754,500**
city name | **Birmingham 1,012,900**

Average annual growth in cities of 20,000 or more (percent) | **0.2**

Average annual growth in rural areas (percent) | **-2.1**

Rate of total population growth (percent) | **0.15**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$8,570**

West Germany

THE ROCKING CHAIRS

West Germany is the world's foremost old folks home. Its consistently falling fertility rate--from about 2.5 children per woman in the early 1960s to the world's lowest level of 1.31 children per woman in 1986--accounts for its disproportionate number of old people.

The world's 12th most populous country in 1985 will see its world ranking slip out of the top 20 by 2020 due to its declining population figures. The West German population is expected to decrease from its present 61 million to 58 million by the turn of the century and about 46 million 30 years later.

However, the expected decline in absolute population figures is less crucial than the alterations in the age structure and the resultant increase in the elderly population. In 1980, the proportion of those aged 60 and over in the total population was 18.7 percent.This proportion is projected to rise to 23.7 percent in the year 2000, 28.4 percent in 2020, and 30.5 percent in 2025.

Such a change in the age structure of a population results in an ever-increasing burden on the active population with respect to the cost of social security, health care, housing, and leisure activities for old people.

EASING THE BURDEN THROUGH IMMIGRATION

Populated by old people, West Germany will need someone to do its work. Even if increased robotization in manufacturing replaces some industrial workers, West Germany will need to increasingly rely on manual and health-service workers to care for its old. Current race-conscious immigration policies aside, many new workers are bound to be immigrants. Already, as a result of "temporary" labor migration policies of the labor-short 1960s, West Germany had 4.4 million resident aliens in 1983, of which 1.5 million were Turkish. Yugoslavs came next, numbering 613,000, followed by Italians, numbering 565,000; Greeks, 292,000; Austrians, 172,000; and Spaniards, 166,000.

> ***Tracking trends in household formation while West Germany ages can give businesses the opportunity to tap household and lifestyle niches by designing specialized products and services.***

Amid growing anti-immigrant feeling among West Germans, a recent report issued by Liselotte Funcke, the federal commissioner for the integration of foreigners, stated that the employment of foreigners will continue to be a significant economic factor. The report also states that the country's social security system would face serious problems even earlier than is now predicted if there were no foreign workers.

West Germany ranked tenth in the world for receiving immigrants during the period 1980-85, with about 40,000 migrants per year. The spectre of resultant social tensions attending rapid population aging now troubles government planners. Assimilating foreign workers presents a major task. In addition, new government responses are needed for

*See the July 1983 issue of **International Demographics** for in-depth consumer information about West Germany. Back issues are $16 each and are available by calling toll free, 800-828-1133; in New York call 800-462-8686.*

pension reform, rising health costs, and education deployment. West German economists predict that maintaining current benefits would mean pushing overall marginal tax rates for many middle-income families above 80 percent.

HOUSEHOLD AND LIFESTYLE MARKET NICHES

West Germany's population imbalance will drastically affect the economic sector, necessitating new market strategies. Fewer consumers and consumer groups of higher average ages, dwindling household size, and the presence of immigrant groups are factors needing consideration.

Tracking trends in household formation while West Germany ages can give businesses the opportunity to tap household and lifestyle niches by designing specialized products and services. In addition, purchasing behavior of retired households is expected to change as more educated and moneyed middle-aged consumers become retirees.

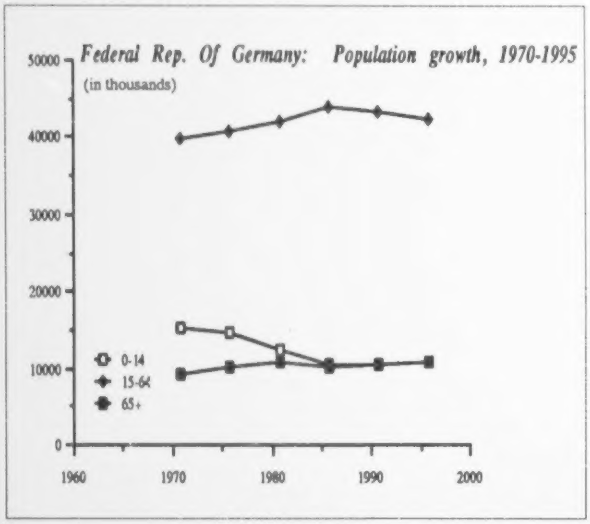
Households in West Germany increased from 22 million in 1970 to 25 million in 1981, with average household size dropping from 2.74 persons to 2.46 persons in the same period. One-person households increased from 25 percent to 31 percent of the total from 1970 to 1981.

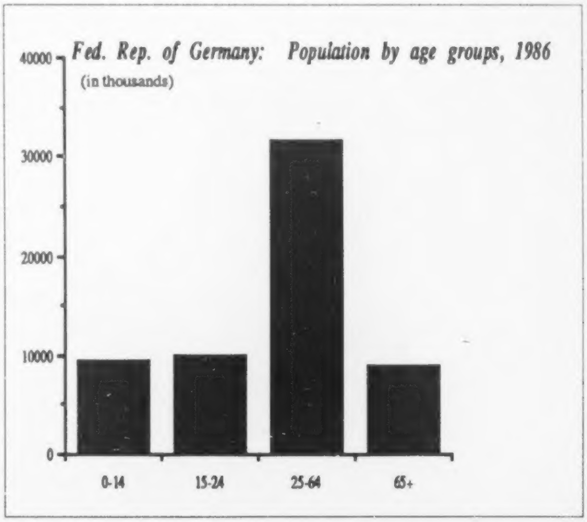
Married-couple households still predominated, however, accounting for 62 percent of West German households in 1981.

HIGHEST PER CAPITA GNP IN EUROPE

West German GNP per capita tops that of all other European countries. Average monthly household income amounts to about DM3,400 or about $1,395. Disposable income surpasses the equivalent of US$665 in 50 percent of all one-person households, according to a recent study of the Bonn Institute of Economic and Social Policy.

It is not surprising then to find that nearly 90 percent of middle-class households own electric coffee machines. Or that 97 percent of middle-class West Germans have televisions, 90 percent have telephones, and 96 percent own some kind of camera equipment. With 30 million telephones, only the U.S. and Japan have more telephones than West Germany. Middle-class households spent about 20 percent of their income on food, drink and tobacco in 1981. Another 8 percent went to clothing, 7 percent to household goods, and 5 percent to leisure goods. Almost 50 percent of expenditures were for services. High-income households spent only 14 percent on food and slightly more on leisure.





take a quick look at West Germany

POPULATION

Total population (estimated 1986) | **61,006,569**
Rate of population growth (percent) | **-0.03**
Lifetime births per woman (total fertility rate) | **1.31**
Birthrate (births per 1,000) | **9.97**
Death rate (deaths per 1,000) | **11.63**
Population under 15 (percent) | **14.8**
Population aged 65 plus (percent) | **15.0**
Median age | **37.7**
Number of women in fertile age group (aged 15-49 as a percent of all women) | **49.0**
Number of persons per square kilometer | **245**

SOCIAL INDICATORS

Health

Life expectancy at birth (number of years, male/female) | **75.5/72/79**
Infant mortality rate (number per 1,000 live births) | **8.1**
Population per physician/per nursing person | **420/170**
Daily calorie supply per capita (calories per person per day) | **3,475**

Education

Percent literate (male/female, total percentage) | **NA**
Number enrolled in secondary education as percentage of age group (male/female) | **93/90**
Number enrolled in higher education as percentage of population aged 20-24 | **30**

Labor force

Percent of labor force in agriculture/industry/services | **6/41/53**
Percentage of population of working age (aged 15-64) | **70**
Age-dependency ratio | **42.5**

STATUS OF WOMEN

Labor force participation rate (percent) | **49**
Number enrolled in secondary education as percentage of age group | **90**
Percent of women aged 15-49 using contraceptives | **NA**

URBANIZATION

Percent of total population in urban and rural areas (urban/rural) | **86/14**

Population of major metropolitan areas

city name | **West Berlin 1,860,500**

city name | **Hamburg 1,617, 800**

Average annual growth in cities of 20,000 or more (percent) | **0.1**

Average annual growth in rural areas (percent) | **-1.8**

Rate of total population growth (percent) | **-0.03**

ECONOMIC INDICATORS

Annual per capita GNP (US$) | **$11,130**

Appendix A.

List of 150 Countries and Where They Fit in International Demographics Clusters

Cluster Key:

1

THE DEPENDENTS

2

THE SEEKERS

3

THE CLIMBERS

Afghanistan	1
Albania	3
Algeria	1
Angola	1
Argentina	4
Australia	4
Austria	4
Bahrain	2
Bangladesh	1
Barbados	3
Belgium	4
Benin	2
Bhutan	1
Bolivia	1
Botswana	2
Brazil	3
Bulgaria	4
Burma	2
Burundi	1
Cameroon	2
Canada	4
Central African Republic	2
Chad	1
Chile	4
China	3
Colombia	3
Comoros	2
Congo	1
Costa Rica	3
Cuba	3
Cyprus	3
Czechoslovakia	4
Denmark	5
Dominican Republic	3
East Germany	4
East Timor	1
Ecuador	2
Egypt	2
El Salvador	[illegible]
Equatorial Guinea	1
Ethiopia	1
Fiji	3
Finland	4
France	4
Gabon	2
Gambia	1
Greece	4
Ghana	2
Guadeloupe	3
Guatemala	2
Guinea	1
Guinea-Bissau	1
Guyana	3
Haiti	2
Honduras	1
Hong Kong	4
Hungary	4
Iceland	4
India	2
Indonesia	2
Iran	1
Iraq	2
Ireland	4
Israel	4
Italy	4
Ivory Coast	2
Jamaica	4
Japan	4
Jordan	1
Kampuchea	1
Kenya	1
Korea, North	3
Korea, South	3
Kuwait	2
Lao People's Democratic Republic	1
Lebanon	3

4

THE ULTIMATE CONSUMERS

5

THE ROCKING CHAIRS

Lesotho	2
Liberia	1
Libya	1
Luxembourg	4
Madagascar	2
Malawi	1
Malaysia	2
Mali	1
Malta	3
Martinique	3
Mauritania	1
Mauritius	2
Mexico	3
Mongolia	2
Morocco	1
Mozambique	1
Namibia	1
Nepal	1
Netherlands	4
New Zealand	4
Nicaragua	2
Niger	1
Nigeria	1
Norway	4
Oman	1
Pakistan	1
Panama	3
Paraguay	2
Peru	3
Philippines	3
Poland	4
Portugal	3
Puerto Rico	3
Qatar	2
Reunion	3
Romania	4
Rwanda	1
Saudi Arabia	1
Senegal	1
Sierra Leone	1
Singapore	4
Somalia	1
South Africa	2
Spain	4
Sri Lanka	2
Sudan	1
Surinam	2
Swaziland	1
Sweden	5
Switzerland	4
Syria	2
Taiwan	3
Tanzania	1
Thailand	3
Togo	1
Trinidad and Tobago	3
Tunisia	2
Turkey	3
Uganda	1
United Arab Emirates	2
United Kingdom	5
Upper Volta	1
Uruguay	4
USA	4
USSR	4
Venezuela	3
Viet Nam	2
West Germany	5
Yemen Arab Republic	1
Yemen, People's Democratic Rep.	1
Yugoslavia	4
Zaire	1
Zambia	1
Zimbabwe	1

Appendix B.

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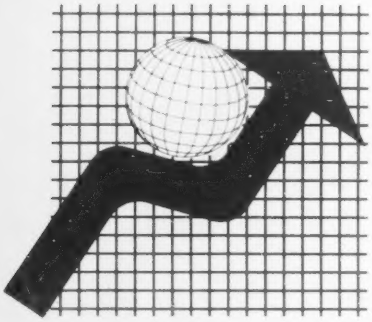

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C0200-1

Errata

This supplement provides additional tabular data and more detailed explanations for some items in *Trends and Opportunities Abroad, 1987*.

All population estimates given in the "Take a Quick Look" sections are estimates for the 1986 calendar year. The average annual growth rate for cities of 20,000 or more and the average annual growth rate for rural areas are for the period 1980 to 1985.

The term "age-dependency ratio," or "dependency ratio," is the ratio of the combined child population under 15 years of age and adult population 65 years and over to the population of intermediate age per 100.

With one exception, population figures for metro areas listed in the "Take a Quick Look" sections are for the city proper rather than the population of greater metropolitan areas. Metropolitan area totals are somewhat larger. Please note the following:

- The population total for Ponce, Puerto Rico given on page 74 is for the Metropolitan Statistical Area of Ponce.

- Korea's second largest city is Pusan, with a population of 3,160,276. Gyeongsangbug Do is a province. See page 78.

- The population of Sydney, Australia is 3,204,211. Australia's second largest city, Melbourne, has a population of 2,888,400. See page 108.

- Dakahlia, Egypt is a governorate rather than a city. Its population is correct as stated. See page 20.

- Portugal's second largest city is Oporto. See page 70.

The vertical axis on the bar chart on page 64 should be labeled from 0 to 10,000 in 1000-unit increments.

The text on page 212 mistakenly states that the West German GNP per capita tops that of all other European countries. The Swiss GNP per capita is actually the highest.

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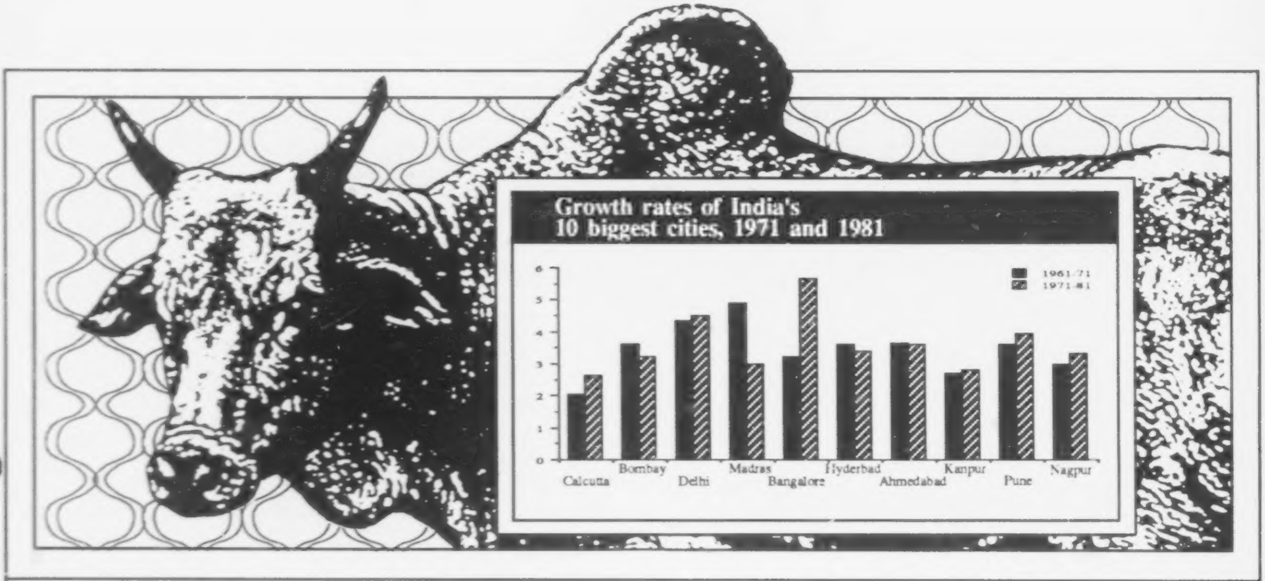
International Demographics

CONSUMER TRENDS AND MARKETS ABROAD
JANUARY 1987 VOLUME 6, NUMBER 1



Growth rates of India's 10 biggest cities, 1971 and 1981

AREA PROFILE

The Calcutta Metropolitan District

The world's supercities are getting a lot of attention lately. Growing to sizes never before experienced, the mega-cities of the developing world excite wonder and fear. By the year 2000, 17 out of 20 of the world's largest cities will be in developing countries. Four of these supercities lie in India, the largest of which is Calcutta.

Eleven million residents in 1,450 square kilometers make the Calcutta Metropolitan District the world's most densely packed metropolis and the world's sixth largest urban agglomeration. The Calcutta Metropolitan District includes the just over 9 million residents of Calcutta City (104 square kilometers), the municipal corporations of Howrah and Chandannagar, 34 municipalities, 2 notified areas, 62 non-municipal urban areas, and outlying rural areas.

But even though Calcutta is India's largest city, it is growing at a much slower pace than such intermediate Indian cities (from 100,000 to 400,000 inhabitants) as Thane, Bhubanesware, Bokaro Steel City, Ranchi, Bathinda, and Sonipat and sister supercities Greater Bombay and Delhi. Between 1971 and 1981, Calcutta City grew at an average annual rate of 2.65 percent, well below the 3.8 percent growth rate for India's urban population as a whole. Calcutta's growth trailed that of Greater Bombay and Delhi, at 3.21 percent and 4.49 percent, respectively.

Still, even at Calcutta City's relatively slow rate of growth, its just over 9 million residents are projected to grow to 11.7 million in 1990, 15.9 million in the year 2000, and 26.4 million by 2025. But, according to Calcutta's Municipal Councillor Purnendu Jha, "The problem is that Calcutta is not growing fast enough." A supply-side demographics proponent, Jha sees eco-

(continued)

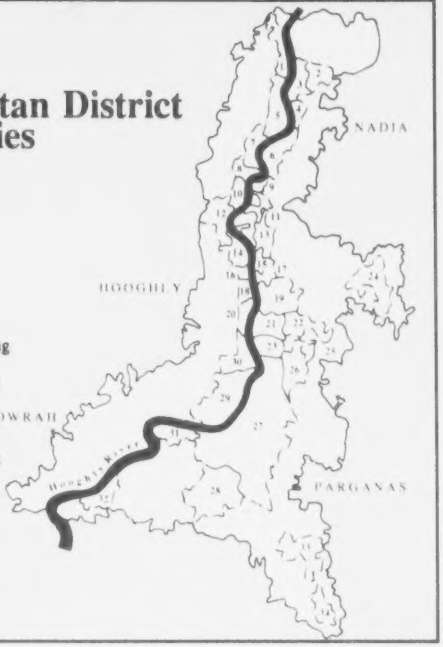
INSIDE

International mapping on the personal computer.............................. 7
The latest on Chinese consumers.. 8

THIS MONTH: CALCUTTA

MICRO VIEW

Calcutta Metropolitan District and its municipalities



1. Bansberia
2. Kanchrapara
3. Halisahar
4. Naihati
5. Hooghly-Chinsurah
6. Bhatpara
7. Chandannagar
8. Bhadreswar
9. Garulia
10. Champdani
11. North Barrackpore
12. Baidyabati
13. Barrackpore
14. Serampore
15. Titagarh
16. Rishra
17. Khardah
18. Konnagar
19. Panihati
20. Uttarpara-Kotrung
21. Kamarhati
22. North Dum Dum
23. Baranagar
24. Barasat
25. Dum Dum
26. South Dum Dum
27. Calcutta
28. South Suburban
29. Howrah
30. Bally
31. Garden Beach
32. Budge-Budge
33. Rajapur
34. Baruipur

nomic growth, not family planning, as the immediate solution to the city's problems. Stating that family planning holds no magic formula, especially when the present system cannot guarantee the life of a child, Jha looks to population growth to provide a labor pool for industry and an expanding market for new products.

Yet, Calcutta's failure to create urban jobs quickly enough to accommodate its vast population increase has led to widespread visible evidence of unemployment and extreme poverty. Thousands live on the streets. One in three Calcutta residents lives in slums or squatter settlements. The unemployed number 1.5 million. Much of the city's mostly obsolete infrastructure dates to the last century, leaving the water supply system and sewerage network barely functioning. And, although progress has been made in upgrading slums and improving the water supply and sewerage, little has been done to pull Calcutta out of years of industrial stagnation.

Part of the problem lies with the central government. Many in Calcutta complain that the national government discriminates against Calcutta, making a successful economic development strategy difficult to design and implement. Two government policies stand out as clear deterrents. The central government's ban on new large- and medium-scale industries in large cities is an effort to disperse industry from metro areas to small towns and rural areas, but it has effectively tied developers' hands. In addition, India's nationwide price equalization for steel and coal deprives the Calcutta Metropolitan District of its locational advantage of being near West Bengal's coal and steel centers, further discouraging industrial development.

Even international aid can be thwarted by the national government, according to Municipal Councillor Jha speaking at the UN-sponsored International Conference on Population and the Urban Future held last summer in Barcelona. Jha contends that while World Bank loans for urban development may have a one percent interest rate and a 30-year repayment period, large Indian cities such as Calcutta pay these loans back to the national government at commercial rates over 15 years. And, although both Bombay and Delhi have recently received government aid, Calcutta's April, 1986 request for $640 million in development funds was refused.

The state government of West Bengal too is cutting back funds to the city of Calcutta as well as other Calcutta Metropolitan District municipalities, citing the disproportionate share of per capita expenditure they have received for many years.

Even private investment has been slow coming. Calcutta's reputation for power shortages, labor problems, and raw-material limitations has discouraged investment.

Prospects for industrial revival under these circumstances are not good. Planners now look to reviving existing industries through diversifying product lines and expanding small-scale industry outside of the district's central core of Calcutta City and the municipal corporation of Howrah.

But no one expects the Calcutta Metropolitan District to be able to provide jobs between 1981 and 2001 for all of the expected 1.9 million new entrants into the labor market, including the 600,000 of them needing industrial jobs. Confined to expanding only its small-scale industries due to the government ban on heavy industry development in large cities, Calcutta faces the difficult if not impossible task of creating 600,000 jobs through small-scale industry development.

RIVER DETERMINES AREA GROWTH PATTERNS

The Calcutta Metropolitan District lies along the banks of the River

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Hooghly. The Calcutta City area expanded in a north-south direction along the river banks due to the natural levees created by silt buildup. The low-lying areas away from the river bank were left marshy and swampy. Settlement was therefore confined to two or three miles in an east-west direction up and down the river, from Calcutta to Kalyani on the east bank and from Howrah to Tribeni on the west bank. Only in Calcutta City and Howrah did settlement occur in a wider area.

Due to this development pattern and the small number of river crossings, relatively self-sufficient subcenters grew up on either side of the river around the dense urban core of Calcutta City and Howrah. In an effort to reduce the density in the urban core--30,000 persons per square kilometer in 1971--the Calcutta Metropolitan Planning Organization has proposed developing new subcenters. Yet due to poor prospects for economic revival and the lure of new jobs in newly developed areas, little impetus exists for inner-city dwellers to move to outlying subcenters. In addition, with in-migration down to a trickle, strong subcenter growth from migration is out of the question.

SLOWED POPULATION GROWTH

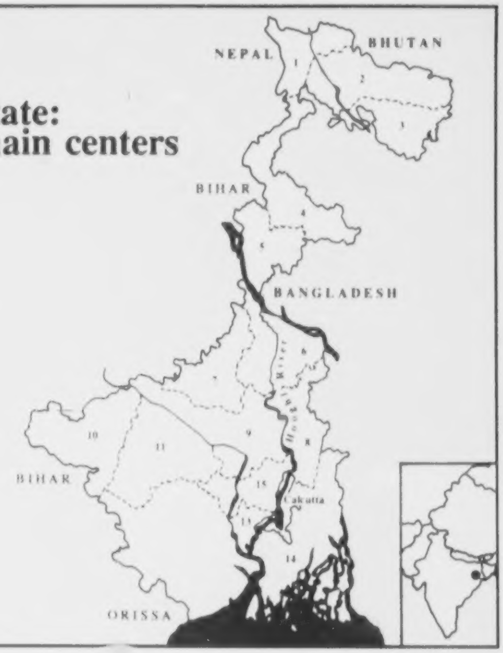
Industrial stagnation has slowed the area's urbanization and therefore its drawing power for rural-to-urban migrants. At present, migration contributes little to the area's overall population growth. However, every year, 250,000 people are added to the population of the Calcutta Metropolitan District through natural increase.

The Calcutta Metropolitan District grew at 2.3 percent annually between 1951 and 1971. However, while the population growth rate for the Calcutta Metropolitan District declined slightly between 1971 and 1981, growth in Calcutta City and Howrah--the area's central-core municipalities--stagnated at 0.5 percent and 0.1 percent, respectively.

While the proportion of the population in the core municipalities of Calcutta City and Howrah declined between 1951 and 1981, the proportion of the population in west-bank municipalities increased. This dispersal trend resulted in the proportion of the Calcutta Metropolitan district's entire population living in Calcutta City declining from 50 percent in 1951 to 32 percent in 1981.

MACRO VIEW

West Bengal State: Districts and main centers



1. Darjeeling
2. Jalpaiguri
3. Cooch Behar
4. West Dinajpur
5. Malda
6. Murshidabad
7. Birbhum
8. Nadia
9. Burdwan
10. Purulia
11. Bankura
12. Midnapur
13. Howrah
14. Parganas
15. Hooghly

ACCELERATING LABOR FORCE GROWTH STRESSES JOB MARKET

As greater numbers of new job seekers enter the labor force and the dropout rate diminishes due to dramatic improvements in health, relentless pressure is put on the already strained economy of the Calcutta Metropolitan District to provide jobs. The clamor for jobs will only mount as those born in India's high-fertility period of 1961 to 1981 come into the job market.

As in many developing-country supercities, Calcutta's job seekers will be in part absorbed by the informal employment sector as outworkers for small industries with high labor requirements and low productivity such as shoemaking, metal work, machinery repair, and street sellers. Service workers such as domestic servants and casually employed workers such as street cleaners and construction workers will also increase.

An ILO study estimated that 40 to 50 percent of Calcutta's workforce are employed in the informal sector. In 1981, about 80 percent of the Calcutta Metropolitan District's nearly 60,000 commercial units performed informal-sector activities, defined as those without a roof.

Although work in the informal sector is characterized largely by self-employment, many of Calcutta's informal workers, especially those in shoemaking, carpentry, tailoring, and carpet-making, are really outworkers employed unofficially by companies that want to avoid minimum-wage requirements and social-security contributions.

The best available workforce data, although from 1971, present a fairly good picture of employment in and around Calcutta City. Because of the rural character of outlying areas, about 6 percent of the Calcutta Metropolitan District's workforce were employed in agriculture in 1971. Forty percent of workers were employed in manufacturing, with thirty-eight percent of factory workers employed in industries with over 500 workers, 28 percent in industries with 5 to 99 workers, and 13 percent in workshops employing one to four workers. The other 54 percent of all workers were employed in the service sector. Of service-sector workers, one in five worked in transport, communications, and storage. Two-fifths of service workers were employed in trade and commerce and another two-fifths in personal services.

ONE OF INDIA'S POOREST CITIES

The average person in Calcutta is poor. Two-thirds of the population make less than $35 a month. About 10 percent of the population are officially unemployed, with over half of the population working in the low-paid informal sector. Despite great strides in improving public works, Calcutta's slums are still India's worst. And living standards have gone down relative to India as a whole due to the worsening economic condition of Calcutta's industrial base.

However, those living in Calcutta City fare better than the average Indian and the average dweller in the Calcutta Metropolitan District and the state of West Bengal. (The Calcutta Metropolitan District falls within 5 of the 16 districts in West Bengal State.) Average per capita

Growth areas within the Calcutta Metropolitan District--population size and growth of municipalities, 1961-1981

	Population size (thousands)			*Average annual rate of growth (in percent)*	
Municipality *1981*	*1961*	*1961-1971*	*1971-1981*		
East bank					
Calcutta (Corporation)	2,927	3,149	3,305	0.7	0.5
Kanchrapara	69	79	99	1.4	2.3
Halisahar	51	69	99	3.1	3.7
Naihati	58	82	115	3.5	3.4
Bhatpara	148	205	265	3.3	2.6
Garulia	29	44	57	4.3	2.6
North Barrackpore	57	76	82	2.9	0.8
Barrackpore	64	97	116	4.2	1.8
Titagarh	76	88	105	1.5	1.8
Khardah	28	32	45	1.3	3.5
Panihati	94	148	206	4.6	3.4
Kamarhati	125	169	235	3.1	3.4
Baranagar	108	137	170	2.4	2.2
Barasat	29	43	70	4.0	5.0
New Barrackpore	--	--	47	--	--
North Dum Dum	38	64	96	--	4.1
Dum Dum	20	31	34	--	0.9
South Dum Dum	111	174	230	4.6	2.8
Garden Beach	131	154	191	1.6	2.2
Budge-Budge	40	51	70	2.5	3.2
South Suburban	186	273	395	3.9	3.8
Rajapur	9	15	44	5.2	11.3
Baruipur	14	21	26	4.1	2.2
Jadabpur	6	13	252	--	--
West bank					
Howrah (Corporation)	634	738	744	--	0.1
Bally	30	39	148	--	--
Bansberia	45	62	89	3.3	3.7
Hooghly-Chinsurah	83	105	129	2.4	2.1
Chandannagar (Corporation)	67	75	102	1.1	3.1
Bhadreswar	35	46	59	2.8	2.5
Champdani	42	59	76	3.5	2.6
Baidyabati	44	54	71	2.1	2.6
Serampore	92	102	127	1.0	2.2
Rishra	39	63	81	4.9	2.5
Konnagar	29	34	51	1.6	4.1
Uttarpara-Kotrung	52	68	80	2.7	1.6
Uluberia	19	20	25	0.5	2.3

Sources: Census of India 1971: General Population Tables *(Delhi, Controller of Publications, 1975)*; Census of India 1981: Final Population Totals *(Delhi, Controller of Publications, 1982)*.

income in Calcutta (at present prices) was Rs 3,300 in 1980, compared with Rs 1,900 in the Calcutta Metropolitan District and Rs 1,200 in West Bengal.

THE MIDDLE CLASS MOVES TO SUBURBIA

Most of Calcutta's middle class and urban elite live in the suburbs. Those that are left are moving out.

Not only the middle class but also government offices are leaving Calcutta's congested core to planned communities in outlying districts. A favorite destination is Salt Lake City--a well-planned community developed

Where they live--twin cities of Calcutta and Howrah are at the core of the Calcutta Metropolitan District

		Population share (in percent)		*Density (per sq km)*
Municipality	*1951*	*1971*	*1981*	*1981*
East bank	69.91	63.06	61.63	--
Calcutta (Corporation)	50.25	37.79	32.09	31,617
Kanchrapara	1.06	0.95	0.96	9,790
Halisahar	0.65	0.83	0.96	6,712
Naihati	1.03	0.99	1.12	26,246
Bhatpara	2.51	2.46	2.57	21,802
Garulia	0.53	0.53	0.55	14,706
North Barrackpore	0.60	0.91	0.80	9,710
Barrackpore	0.79	1.16	1.12	9,916
Titagarh	1.33	1.06	1.02	32,263
Khardah	0.35	0.39	0.44	11,663
Panihati	0.92	1.78	2.00	10,588
Kamarhati	1.44	2.03	2.28	21,437
Baranagar	1.44	1.64	1.65	23,925
Barasat	0.30	0.51	0.68	4,667
New Barrackpore	--	0.39	0.46	16,045
North Dum Dum	0.22	0.77	0.93	6,181
Dum Dum	0.26	0.38	0.33	11,587
South Dum Dum	1.14	2.09	2.23	15,159
Garden Beach	2.03	1.86	1.85	14,757
Budge-Budge	0.60	0.61	0.68	8,546
South Suburban	1.94	3.27	3.83	12,467
Rajapur	0.30	0.41	0.43	--
Baruipur	0.17	0.25	0.25	--
Jadabpur	--	--	2.40	--
West bank	15.49	15.97	17.30	--
Howrah (Corporation)	9.25	8.86	7.22	12,104
Bally	--	--	1.44	12,649
Bansberia	0.57	0.74	0.86	8,441
Hooghly-Chinsurah	1.06	1.26	1.25	8,056
Chandannagar (Corporation)	--	--	0.99	10,551
Bhadreswar	0.68	0.55	0.57	9,097
Champdani	0.58	0.70	0.74	11,768
Baidyabati	0.46	0.65	0.69	7,790
Serampore	1.38	1.22	1.23	21,650
Rishra	0.51	0.76	0.79	25,000
Konnagar	0.38	0.41	0.50	11,827
Uttarpara-Kotrung	0.58	0.81	0.78	10,979
Uluberia	--	--	0.24	5,049
Non-municipal urban areas	14.60	21.97	21.07	
Total	100.00	100.00	100.00	

Sources: CMDA, Development Perspective and Investment Plan *(1976);* Census of India 1981: Final Population Totals *(Delhi, Controller of Publications, 1982).*

in the 1970s with working drainage and sewerage systems. In 1981, Salt Lake's population was 35,770.

What's left in the central core of the city is increasingly the very rich and the poor. The rich live to the south of the city in the mansions of Alipore, Ballygunge, and Park Street.

However, despite the widening disparities between people's incomes and a diverse ethnic and religious mix, Calcutta is mostly a peaceful city--appearing especially so at a time when India is marked with so much violence. It is one of the few cities in India where women can walk at night without fear. Its peaceful atmosphere coupled with a lively street life do much to soften its media reputation as the hellhole of the world.

SOURCES

Much of the information contained in this profile came from *Population Growth and Policies in Mega-Cities: Calcutta*, Population Policy Paper No. 1, published by the United Nations in 1986. Order from United Nations Population Division, DIESA, 2 United Nations Plaza, New York, NY 10017. An important source for specific information on the *bustee* (slums) of Calcutta can be found in *A Geography of the Third World*, written by the members of the Department of Geography at the University of Liverpool. Order from Methuen and Company, 733 Third Avenue, New York, NY 10017. An extensive review of development policies and plans for Calcutta is found in *Metropolitan Management: The Asian Experience* by K.C. Sivaramakrishnan and Leslie Green. This book devotes an entire chapter to Calcutta's development story. Order from The World Bank, 1818 H Street, N.W., Washington, DC 20433. ▮

--Denise Rusoff

FEATURE

India gets serious about population control

Soon after Mr. Rajiv Gandhi became prime minister of India, he publicly declared that population is India's number one problem. Not earth-shattering news, to be sure. But Gandhi's efforts to revitalize and rescue the country's family planning program from the doldrums of the past few years certainly is worth notice. Also noteworthy is that for the first time, India will use very appealing incentives to limit births, as well as deal directly with improving the climate for reduced childbearing--raising the status of women and enhancing infant survival.

What's worrying the prime minister is that with present trends, India will overtake China, achieving the dubious distinction of becoming the world's most populous country by the year 2025. And as if that won't be enough, it will also become the most populous country ever to have existed on the earth. For while China seems to be on course for an almost stable population of around 1.45 billion by 2025, the standard projection for India will leave it with over 1.5 billion people by that date--and still rising.

The government's new national family welfare program lays down impressive targets. The long-term goal is to reach zero population growth by 2050. By then the country's population will be nearly 1.3 billion compared with its 775 million people today. The medium-term goal is to aim for a two-child family and reduce the birthrate from its present 31 per 1,000 to 21 per 1,000 by the turn of the century. The population growth rate, currently 2.2 percent annually, is to be reduced to 1.9 percent by 1990.

The percentage of couples of childbearing ages using family planning methods needs to be raised from 35 percent to 42 percent by the same date. Social analyst and journalist Rahul Singh describes the new program as "highly ambitious and a highly improbable exercise." Critics argue that since the birthrate has remained stubbornly static at 33 per 1,000 over the last decade, it cannot fall to 29.1 within four years.

But there is more to the government plan than just targets. In a revolutionary departure from earlier policies, the issue of population stabilization is now being viewed from the perspective of creating the climate necessary for women to really reduce births. To date, family planning programs have been just that--programs to control numbers. Now the term heard is "family welfare." No longer is family planning being seen as the exclusive province of health and population experts.

MIDDLE-CLASS WOMEN POSTPONE MARRIAGE AND CHILDBIRTH

The tremendous growth in educational and career attainment by India's urban middle-class women has resulted in these women postponing marriage until after their teen years. But the majority of India's women live in villages and most of the 4.5 million girls getting married each year are in the 15-to-19 age group. Efforts will be geared to raising the average marriage age for women to over 20 years by intensifying the female literacy program, curbing school drop-out rates for girls, and offering better employment opportunities for rural women.

CHILD SURVIVAL IS THE KEY

In an effort to reduce the infant mortality rate to below 60 deaths per

(continued)

1,000, the government has already launched a mass-immunization drive. The goal is that every child and expectant mother will be immunized within four years. A nutrition intervention program will distribute iron tablets, vitamin A, and iodized salt.

To a large extent, child survival rests on the performance of health services. Though India has a network of 90,000 health centers, the existing health infrastructure is not being used to its fullest extent. The delivery of services is to be improved and village-level committees set up so that local people can air their views.

Family planning and communications specialist Rami Chhabra feels that the emphasis has shifted from simple propaganda and publicity to population education through adult-education programs and programs conducted at schools, colleges, and trade-union and employee associations.

"Non-governmental voluntary agencies are most effective in motivating people at the grassroots," says Jaya Arunachalam, president of the Working Women's forum, an organization providing healthcare and family planning advice to India's women.

APPEALING INCENTIVES OFFERED

Incentives have played a relatively minor role in India's past attempts to limit population growth. Now, incentives will play a vital role. Those who have only one child will be given old-age pensions and low-premium insurance policies. In an attempt to remove the deep-rooted preference for sons, those with two daughters and no sons will be given bonds worth $1,930 if they accept sterilization. Such couples will be given "honored citizen" cards which will entitle them to preferential treatment in employment schemes, land allotment, and loans, as well as other benefits. ▌

--by Suneet Vir Singh

DESKTOP DEMOGRAPHICS

International mapping on your PC

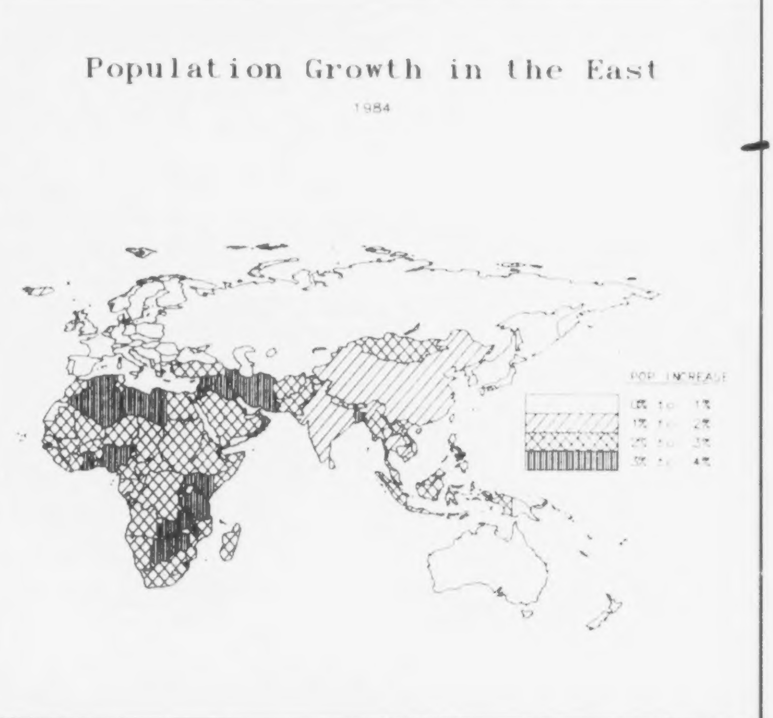
You can map international statistics on a PC with Atlas AMP's WorlData boundary and data files. A set of eight disks contains the boundary files to map regions such as Europe, South America, and Africa by country, as well as the entire world and East and West hemispheres. The disks also have five data tables for each boundary file, with variables on population, health and education, agriculture, energy and mineral resources, and economics.

The figure below is a WorlData map showing 1984-85 population growth for countries in the Eastern hemisphere. It is clear that the highest growth is in parts of Africa and the Middle East, while in Europe, USSR, and much of Oceania, growth is less than one percent a year.

MapMaster, from Decision Resources, also offers international mapping. This program produces high-quality output on dot matrix printers. Both programs produce output to a number of plotters and film recorders.

Atlas AMP and WorlData are available from Strategic Locations Planning, 4030 Moorpark Avenue, Suite 123, San Jose, CA 95117, (408) 985-7400. MapMaster is available from most computer dealers; for information about the international boundary and data files available for MapMaster, contact Decision Resources, 25 Sylvan Road South, Westport, CT 06880, (203) 222-1974. ▌

Example of map output:



New book offers the latest on consumer trends in China

Interested in trade with China? *Consumer Demand in China*, a new book by Jeffrey R. Taylor and Karen A. Hardee of the U.S. Census Bureau, contains invaluable information on the latest consumer trends. Information so valuable in fact that Japan's External Trade Organization obtained a copy of the initial study on which the book was based, quickly translated it into Japanese, and gave it free to 710 Japanese member organizations involved with China trade. As the study was not copyrighted, JETRO then printed another 500 copies for sale at about $20 each.

An American publisher, Westview Press Inc. of Boulder, Colorado now has in print this important look at the buying patterns of China's post-economic reforms consumer. Using more than 100 tables and graphs, the authors show differences between urban and rural income levels and changes in income distribution, spending patterns, commodity consumption, durable-goods ownership, and housing. In addition, they discuss many of the underlying factors responsible for these changes, make comparisons between China's provinces, and explain the effect of income level, ethnic group and geographic location on consumption patterns.

All data come exclusively from official Chinese sources, the product of a special arrangement between the U.S. Census Bureau and the Chinese government. Many of the indicators have never appeared in English before.

Here's a quick look at what this informative book says about trends in consumer behavior in post-economic reform China.

NEW TRENDS IN CHINA

China's economic revolution means more yuan for urban and rural dwellers alike. Consumer demand is up for virtually all commodities. And this trend shows no sign of abating. By the year 2000, per capita consumption could be double its 1984 level.

In rural areas, household incomes have more than doubled since 1978, and in urban areas incomes have risen by 8 percent annually. Incomes are still relatively low in China, however; in 1984, urban per capita income was $262 and rural per capita income was $153 (at the 1984 exchange rate of 2.32 yuan per U.S. dollar). While income levels vary by province, households in all provinces have more to spend than they did five years ago. Chinese households continue to save a high proportion of their incomes. Rural households save 20 percent while urban households save 12 percent. This suggests considerable unmet consumer demand in China.

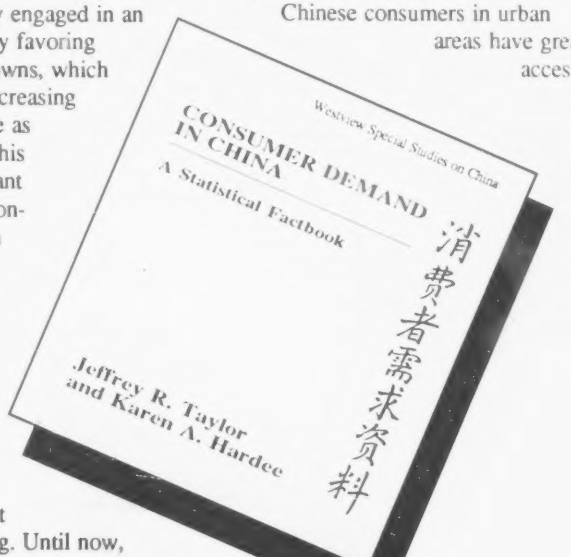
Nearly 70 percent of China's one billion consumers live in rural areas. China has recently engaged in an urbanization policy favoring small cities and towns, which should redefine increasing numbers of people as urban residents. This policy has important implications for consumer spending in China, since incomes and consumption tend to be higher in urban areas.

Shifts in the age make-up of China's population should also impact consumer spending. Until now, China's population has been youthful, but by the year 2000, the proportion of those 65 and over will increase by 34 percent, while the proportion of those aged under 15 will decrease by 23 percent.

Despite differences in levels of disposable income, people in urban and rural areas both spend nearly 60 percent of their incomes on food and 10 to 15 percent on clothing. Rural households are spending a substantial portion of their incomes on housing. Between 1978 and 1984, rural expenditure on housing grew by 43 percent but, since housing in urban areas is still subsidized, the urban housing market has changed little.

One trend in rural areas has tremendous implications for sales of consumer goods: Rural households that used to produce 60 percent of their total consumption produced only 41 percent of their total consumption in 1984. As incomes rise, consumers become more discriminating. The proportion of expenditures on non-staple foods, for example, such as meats, poultry, liquor, and candy, is going up, while that for staple grains is decreasing.

Chinese consumers in urban areas have greater access to



Westview Special Studies on China

CONSUMER DEMAND IN CHINA

A Statistical Factbook

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Jeffrey R. Taylor
and Karen A. Hardee

...trends and consumer behavior in post-economic reform China.

durable goods, but the growth of ownership of such goods as televisions, bicycles, sewing machines, watches, and radios is higher in rural areas than in urban areas. Between 1981 and 1984, ownership of television sets by rural households grew by more than 100 percent. Still, while only seven of every 100 rural households owned televisions in 1984, more than 85 percent of urban households had televisions. Urban families averaged nearly two bicycles per household, while only 75 percent of rural households even owned bicycles.

ORDERING INFORMATION

To order *Consumer Demand in China: A Statistical Factbook,* send $35 to Westview Press, 5500 Central Avenue, Boulder, Colorado 80301. ▮

INSIDE INFORMATION

The elderly in Japan--between myth and reality

Japanese Prime Minister Yasuhiro Nakasone wants to believe in the traditional Japanese family, but numbers tell a different story. In a recent speech to the National Diet, Nakasone crooned that for the old folks Japan's silver generation, "the happiest moment is when they share the same dinner with the members of three generations with whom they live under the same roof, holding a grandchild on their lap."

He couldn't be more off the mark. Heartwarming, yes. Real, no. Given the aging of Japan and current childbearing trends, the 85-year-old in the first generation would have a child near age 60 and a grandchild around age 30--hardly the size to be cuddled on Grandpa's knee. And what's more, the extended family living under one roof died a long time ago, as the cities reformed families into nuclear ones and rising standards of living gave young couples as well as the widowed and elderly the means to live on their own.

The question on old folks' lips of late is not so much who's having dinners with the family but just who will care for them when they can no longer do it on their own. Caring for the very old is an ongoing problem for Japan. One out of every two Japanese born in recent years will live to be over 85. The proportion of those aged over 65 is expected to double to over 20 percent of the total population within a generation. By the turn of the century, 20 million Japanese will be in this group. And of them, over one million are expected to suffer from senile dementia.

So far, house- and bed-bound old people living at home outnumber those in old people's homes and hospitals. Nearly 90 percent of primary caregivers are women. What's more, most of them are daughters-in-law. However, these caregivers too are aging.

In this two-storied structure of the elderly, the upper two of the four existing Japanese generations are aging together. Analysts see improved government welfare systems as the solution for caring for the very old. ▮

--Keiko Higuchi

PUBLICATIONS

Statistical Abstract of Latin America, vol. 24, edited by James W. Wilke and Adam Perkal. Los Angeles: UCLA Latin American Center Publications, 1986, 928 pps., $100. Order from UCLA Latin American Center, 405 Hilgard Ave., Los Angeles, CA 90024.

Although the age of data in this volume is occasionally disappointing it is nearly always the most recent available. Because the abstract is so comprehensive, it is an excellent place to begin the search for statistics on any Latin American country.

Population, health, education, religion, working conditions, migration, and housing are all business demographic subjects that merit coverage by Wilke and Perkal.

This 24th volume is especially useful because it includes tables that allow assessment of trends rather than asking the user to find back issues for trend information.

Latin American Population and Urbanization Analysis, Maps and Statistics, 1950-1982, by Richard W. Wilke. Los Angeles: UCLA Latin American Center Publications, 1984, 456 pps., $65.00. Order from same address as above.

This one-volume sourcebook presents trend data up and including, for some countries, the 1980 round of censuses--in 192 maps and cartograms, 127 tables, 16 figures, and 51 photos.

Maps include three-dimensional computer maps of total population, population density and population change between the last two censuses. ▮

COMING UP

Mexico City--Mexico's super-city to be world's largest by the year 2000.

Tokyo's labor force

REGIONS

AFRICA

Nigeria moves into fourth

In 1985, Nigeria was the tenth most populous country in the world. In 15 years, it will hopscotch to seventh place, and by 2025 it will nudge the United States out of fourth place according to the just-released 1984 United Nations assessment of world population estimates and projections.

Japan, which is now in seventh position, will drop to tenth in 2000, and to eleventh by 2025. West Germany's population is declining so quickly relative to other countries that it drops from twelfth position in 1985 to nineteenth in 2000. By 2025, it has dropped off the chart of the world's 25 most populous countries. The table on the next page shows the United Nation's medium variant projections for 1985, 2000, and 2025.

"People don't eat GNP"

"When I studied economics 30 years ago, the discipline focused mainly on capital accumulation, the expansion of government activities, and physical investment. Little attention was paid to institutional policy, human and environmental questions. Since then we have learned that people don't eat GNP. People need food; they also need jobs, a social milieu, opportunities, education, and health. And that--in addition to physical investment--is what economic development is about today. It is about the expansion of opportunities for human beings to fulfill what they consider their destiny." *--S. Shahid Husain, vice president, operations policy staff, The World Bank.*

SOUTH AMERICA

Colombian census results

Results from the 1985 Colombian census are bringing some welcome surprises. First, the rate of annual population growth appears to be about half what it was 20 years ago, reflecting national emigration and strong family planning programs. The 1986 birthrate is reported at about 23.2 births per 1,000, down from a reported 33.3 births per 1,000 in 1975.

Second, the population of Bogota, which was expected to be about 6 million, is actually only about 4 million, a relief for metropolitan authorities who have been unable to keep up with the demands for infrastructure in their fast-growing cities.

In fact, growth has slowed in all the country's largest cities--Bogota, Medellin, Cali, and Barranquilla--while its intermediate cities continue to grow at a relatively quicker pace. Seventy percent of the population are now in urban areas and the absolute number of rural residents is staying fairly stable.

Data on housing, employment, education, and migration information have yet to be published.

Brazil opens market for contraceptives

The Brazilian market for imported contraceptives such as diaphragms, spermicides, and IUDs is expected to open up in the next few months as a program set up by the Ministries of Health, Social Security, and Education begins as part of the public health system. Ninety percent of Brazilians use the public health system, which will now offer education, counseling, and contraceptives to prevent unwanted pregnancies.

Abortion has not been legalized, but the position of the Roman Catholic church has been weakened in the face of growing population and poverty.

People, a magazine published in London by the International Planned Parenthood Foundation, reports that a survey by the National School of Public Health of women living in the poor sections of Rio de Janeiro found that nearly 35 percent used the pill and nearly 21 percent had tubal ligations. Nearly 50 percent of women got their contraceptives from pharmacies where the pills are available without a prescription.

EUROPE

British households

Sixty-three percent of British households contain a married couple, but 35 percent of those households have no dependent children or older non-dependent children. Only 28 percent of households contain a married couple with dependent children.

First results from the 1985 General Household Survey were released in late 1986. The GHS is a continuous survey based on a sample of the general population resident in private households in Great Britain and has been running since 1971.

While only 28 percent of households are married couples with dependent children, they represent 45 percent of the population of Great Britain. Eight percent of households contain lone parents with dependent children.

The share of lone person households is 24 percent, but only 10 percent of the total population.

Computers and videos in Britain

Ownership of video recorders and home computers is on the rise in Great Britain, according to preliminary results of the 1985 General Household Survey.

In 1985, 31 percent of households in Britain owned videos, up from 24 percent in 1984. Home computers were in 13 percent of households, compared to only 9 percent of households in 1984. While there were dramatic increases in these two categories, ownership of deep freezers also showed a steady increase from 61 percent of households in 1984 to 66 percent in 1985. This signifies a growing market for frozen and convenience foods, as well as for home computer products and video cassettes. There have been relatively small but steady increases in such durables as refrigerators, washing machines and telephones.

One area that has not shown the same growth as in the United States has been dishwashers and tumble driers, which the GHS began to collect information about in 1979. In 1985 only 6 percent of households had a dishwasher and only 33 percent had a tumble drier.

Denmark's immigrants

The approximately 50,000 immigrants to Denmark from Turkey, Yugoslavia, Pakistan, and Morocco were the subject of a recent investigation by the Danish Social Research Institute to determine how they live in relation to other Danes. The study also investigated the lives of the three main refugee groups--Vietnamese, Poles, and Chileans.

The study found:

--The typical family is bigger than the Danish family; a relatively larger number of immigrants are married and the family has more and younger children.

--With the exception of the Yugoslavians, fewer women are in the workforce.

--Immigrant workers are unemployed more frequently and for longer periods of time.

--Over 80 percent of immigrants are unskilled workers.

Source: European Centre for the Development of Vocational Training, 1986.

West Germans drink more, smoke less

Consumption of fruit juice and soft

The 25 most populous countries in the world

1985		*2000*		*2025*	
Country	*Population*	*Country*	*Population*	*Country*	*Population*
1. China	1,059,521	1. China	1,255,895	1. China	1,475,159
2. India	758,927	2. India	964,072	2. India	1,228,829
3. USSR	278,618	3. USSR	314,736	3. USSR	368,234
4. USA	239,020	4. USA	268,239	4. Nigeria	338,105
5. Indonesia	166,440	5. Indonesia	211,367	5. USA	311,936
6. Brazil	135,564	6. Brazil	179,487	6. Indonesia	272,744
7. Japan	120,742	7. Nigeria	161,930	7. Brazil	245,809
8. Bangladesh	101,147	8. Bangladesh	145,800	8. Bangladesh	219,383
9. Pakistan	100,380	9. Pakistan	140,961	9. Pakistan	209,976
10. Nigeria	95,198	10. Japan	129,725	10. Mexico	154,085
11. Mexico	78,996	11. Mexico	109,180	11. Japan	132,082
12. Germany, Fed. Rep. of	60,877	12. Viet Nam	79,870	12. Ethiopia	122,285
13. Viet Nam	59,713	13. Philippines	74,057	13. Viet Nam	108,462
14. Italy	57,300	14. Ethiopia	66,509	14. Philippines	102,787
15. United Kingdom	56,125	15. Thailand	65,503	15. Iran (Islamic Rep.)	97,011
16. France	54,621	16. Turkey	65,351	16. Turkey	91,925
17. Philippines	54,498	17. Iran (Islamic Rep.)	65,161	17. Egypt	90,399
18. Thailand	51,411	18. Egypt	63,941	18. Zaire	90,097
19. Turkey	49,289	19. Germany, Fed. Rep. of	59,484	19. Thailand	85,929
20. Egypt	46,909	20. Italy	58,642	20. Tanzania	83,805
21. Iran (Islamic Rep.)	44,632	21. France	57,162	21. Kenya	82,850
22. Ethiopia	43,557	22. United Kingdom	56,354	22. South Africa	76,381
23. Rep. of Korea	41,258	23. Rep. of Korea	50,981	23. Burma	65,960
24. Spain	38,542	24. Burma	48,499	24. Rep. of Korea	61,572
25. Poland	37,187	25. Zaire	47,581	25. France	58,431

Source: Population Division--World Population Prospects as Assessed in 1984.

drinks is on the rise in West Germany. The Central Office Against Drug Abuse reports that non-alcoholic drinks make up 73 percent of beverage consumption in the country. Consumption of fruit juices and nectars increased by 7 percent between 1984 and 1985 and soft drinks including mineral water rose by 6 percent. Milk consumption also increased up 1.1 percent to 96.8 liters per capita, somewhat surprising in a country where the birthrate is on the decline. Per capita consumption of alcohol fell below 12 liters for the first time since 1984 even though per capita consumption of beer was up 0.5 percent to 146 liters.

While West Germans cut back on alcohol, a reduction in smoking was not part of their apparent attempt for a healthier lifestyle. The average West German smoked 2,262 cigarettes in 1985; an increase of 1.3 percent over 1984.

Foreign students in Germany

In 1960, only 18,000 foreign students were registered in West German universities. But education has become big business. In the summer semester of 1985, 51,000 foreigners were registered as students. Even so, the Institute of German Business announced, the share of foreign students in the universities has decreased from 8.2 percent in 1965 to just 5.8 percent in 1985.

ASIA

A Five-day week for Japan?

Leisure-time activities should continue to be a growth industry in Japan because attempts are being made to give more people a two-day weekend. Financial institutions are a particular focus of this effort because they give only one two-day weekend a month to their workers.

When the second Saturday of each month was made a holiday for bankers in 1983, the automatic teller machines and cash dispensers were also closed. Now, banks have agreed to keep the cash dispensers and teller machines open on two Saturdays a month even though the majority of workers will have the days off. An increase in time off for public servants is also being studied.

According to MITI, if a two-day weekend is imposed on all industries, there would be an increase in spending of nearly $20 billion a year in the leisure industry.

The government would like to reduce the overall working time a year by decreasing the maximum number of working hours from 48 hours a week to 45 a week and by increasing the number of paid holidays.

Incentives in Viet Nam

The fewer children a Vietnamese couple has, the more opportunities will be open to it, according to new incentives from the government to promote smaller families. For instance, parents with two or fewer children receive preference for promotions and bonuses and the opportunity to move to an urban area where there are more jobs and better housing.

The government emphasizes delayed marriage, delayed childbearing, and spacing of children once childbearing begins. One or two children is proposed as the norm with childbearing beginning no earlier than age 23 for women. Women are also urged to avoid pregnancy after age 35.

With its incentives, the government hopes to reduce Vietnam's 2.2 percent growth rate to 1.9 percent. If growth is not controlled, the country's present population of 60 million will reach 80 to 85 million by the turn of the century.

Singapore stabilizes growth

The total fertility rate in Singapore is 1.7 average lifetime births per woman, well below replacement level of 2.1 which was the government's goal. It is still growing at just over 1 percent a year because there are so many women still in their childbearing years, but this will drop off eventually. Just 20 years ago, Singapore's women averaged 4.9 births in a lifetime.

This shift means that Singapore's population is destined to stabilize and age in the next 15 to 25 years, reducing the demand for goods for children, but increasing the demand for health care, services to the elderly, education, and goods and services used for leisure-time activities. In a few years, most new growth will come from immigration rather than from natural increase. ▌

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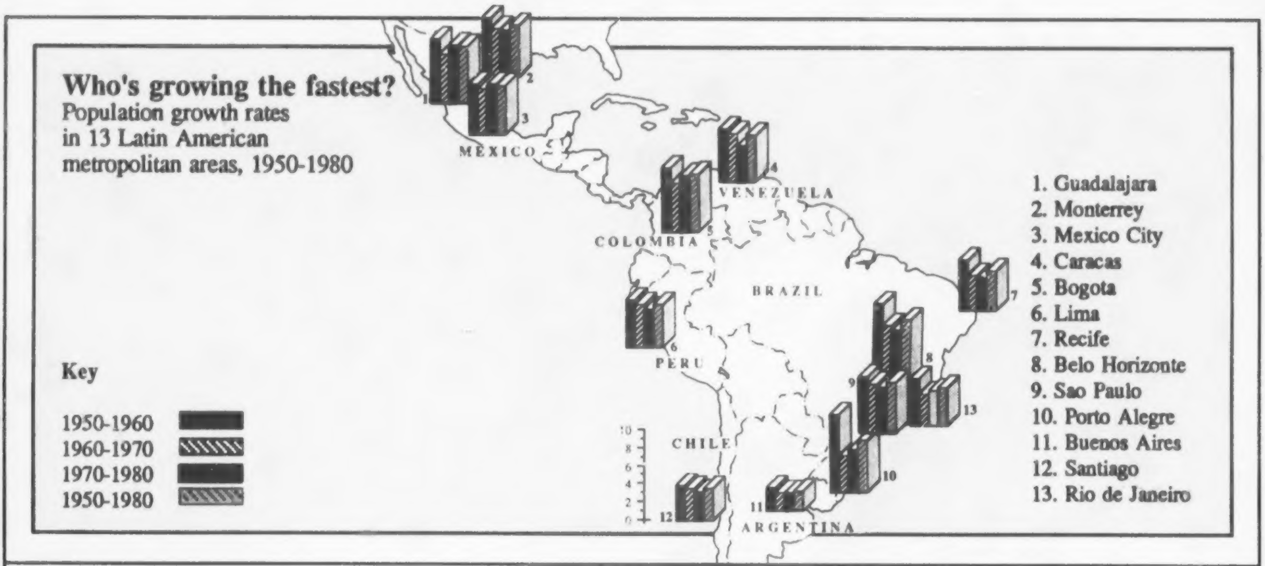
CONSUMER TRENDS AND MARKETS ABROAD
FEBRUARY 1987 VOLUME 6 NUMBER 2

International Demographics

Who's growing the fastest?
Population growth rates
in 13 Latin American
metropolitan areas, 1950-1980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3. Mexico City
4. Caracas
5. Bogota
6. Lima
7. Recife
8. Belo Horizonte
9. Sao Paulo
10. Porto Alegre
11. Buenos Aires
12. Santiago
13. Rio de Janeiro

AREA PROFILE

Latin America's supercity--the Metropolitan Area of Mexico City

In a region known for its supercities, Mexico City beats them all. Big and still growing, Mexico City and its environs is soon to be the world's largest metropolitan area. Its 1985 population, estimates the United Nations, topped18 million.

The lure of city amenities--jobs, health care, schooling, and cheap food--and the hope of a better life bring 1,000 rural migrants to Mexico City everyday. In-migration combined with the city's healthy rate of natural increase fuel the city's growth. Between 1950 and 1980, Mexico City grew at an annual average rate of 5.4 percent. By the year 2000, says the United Nations, the population of Mexico City and its environs will jump to 27.6 million people. And only 25 years later Mexico City's population is projected to be a terrifying 36.7 million.

Providing jobs and urban services on a timely basis to such mounting numbers of people would tax any system, no matter how well run or endowed. And complicating Mexico City's demographic dilemma is the general breakdown of the Mexican economy and the effects of September's earthquakes which left thousands camped in city streets and damaged buildings.

Falling revenues from oil exports--world petroleum prices plunged from $32 a barrel in 1981 to $14 a barrel in mid-1986--combined with the debt crisis brought on by years of borrowing to build Mexico's industrial sector have taken a heavy toll. Austerity measures taken in response the mounting crisis have reduced living standards and limited the supply of modern-sector jobs. Real wage levels have fallen 40

continued

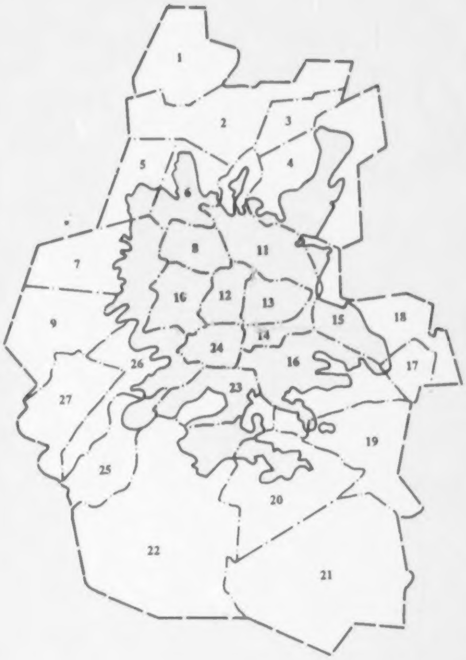
INSIDE

Labor in Tokyo--The first in a three-part series..8
Regions: Malaysia, Singapore, Canada, Europe..............................11

THIS MONTH: MEXICO CITY

MACRO VIEW

Mexico City urban and metropolitan area



1. Cuautitlan
2. Tultitlan
3. Coacalco
4. Ecatepec
5. Zaragoza
6. Tlalnepantla
7. Naucalpan
8. Azcapotzalco
9. Huixquilucan
10. Miguel Hidalgo
11. Gustavo A. Madero
12. Cuauhtemoc
13. Venustiano Carranza
14. Ixtacalco
15. Netzahualcoyotl
16. Iztapalapa
17. La Paz
18. Chimalhuacan
19. Tlahuac
20. Xochimilco
21. Milpa Alta
22. Tlalpan
23. Coyoacan
24. Benito Juarez
25. Magdalena Contreras
26. Alvaro Obregon
27. Cuajimalpa

percent below what levels were at the end of 1981, according to Wharton Econometrics. Wages fell 13.6 percent in 1986 alone. And according to *The Wall Street Journal*, real wages in Mexico are back to 1967 levels.

With debt payments estimated to consume two-thirds of Mexico's export earnings in the foreseeable future, past policies of massive public investment and subsidies can no longer support the growth of the Mexican economy and the creation of all-important new jobs for the disproportionately large numbers of young people entering the job market. But the country's ability to develop the new export products needed to help the economy recover the $9 to $10 billion lost annually in oil revenues is questionable at best.

But, no one is sure whether crowding, the already severe housing crisis, made worse by Mexico's City's 1985 earthquake, job shortages, and air pollution will reduce population concentration in and around the nation's capital. So far, despite its mounting problems, Mexico City and its environs still draw hundreds of thousands of rural migrants a year. Part of its magnetism comes simply from its all-pervasive position at the helm of the nation.

Mexico City is typical of Latin American supercities, holding an impressive portion of the nation's population and commanding the lion's share of the country's economic activities. With 19.1 percent of the national population in 1980, the Metropolitan Area alone housed about as many inhabitants as Mexico's next 30 largest urban areas. With 15.1 million people in 1980, it is six times as large as Guadalajara, Mexico's second largest city.

Moreover, Mexico City accounted for 38 percent of the Gross Domestic Product (GDP), 48 percent of the country's manufacturing industry, 59 percent of all wages, 60 percent of all transportation, and 69 percent of all bank assets. Even those industries that have their operations in faraway parts of the country feel the need to establish their headquarters in Mexico City.

Just how big Mexico City can get, no one is willing to guess. Because no urban areas have ever before reached the sizes being projected for the world's supercities for 1990 and beyond, no one knows for sure what will happen. However, according to Harley L. Browning of the U.S. Census Bureau, the diseconomies of large scale (providing services to advancing satellite areas costs proportionately more than to core-city areas) and the development of internal markets creating employment opportunities in regional areas eventually take their toll on large-city growth.

ANATOMY OF THE CITY

The Mexican census of 1980 divides the 579 square miles of the Mexico City urban area, or the Federal District, into 16 *delegaciones*, or municipalities, of which Gustavo A. Madero, with 1.51 million inhabitants, is the largest, and Milpa

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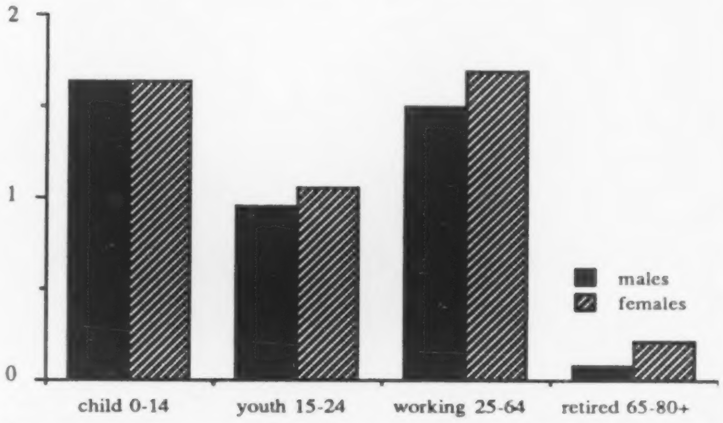
A young city

Population of Mexico City by age groups, 1980, in millions



Alta, with 53,616, the smallest. This division is somewhat different than the one used in the 1970 census when the municipalities of Benito Juarez, Cuauhtemoc, Miguel Hidalgo, and Venustiano Carranza were aggregated into Mexico City Proper. The 8.83 million *chilangos*, as the inhabitants of the Federal District of Mexico are often called, counted in the 1980 census made the Federal District the third largest city in the world, after Shanghai and Tokyo.

Since the 1960s, the Metropolitan Area of Mexico City has expanded beyond the boundaries of the Federal District. It now covers an area of 883 square miles that includes 11 municipalities, with a total population of more than 5 million, in the neighboring state of Mexico. The most important ones are Naucalpan to the west, Zaragoza and Tlalnepantla to the north, and Ecatepec and Netzahualcoyotl to the east. While expansion due north is blocked by the nearly 10,000 feet high Pico Tres Padres, the continuing urban growth of Tlalnepantla and Ecatepec has now all but engulfed this natural obstacle from both sides.

Because the Federal District is governed by national authorities with city officials appointed by the national government rather than elected by the city's residents, Mexico City has had little say in its own government. In response to the mounting feeling that residents must be able to decide the city's priorities, a coalition of four leftist parties and the country's single rightist party have led a campaign to change the Federal District into a new state called Anahuac. This would allow the residents of the district to elect their own governor, legislature, and judiciary, as do Mexico's 31 other states. The present mayor of the Federal District, Ramon Aguirre, was appointed by Mexico's president in December of 1982.

With its peripheral municipalities outside the Federal District, the larger metropolitan area constitutes the second largest population agglomeration in the world, after New York City and its adjacent urban areas. The city proper may be said to extend to Tlatelolco--once a neighboring island in Lake Texcoco--in the north, the Avenida Churubusco in the south, Chapultepec Park in the west, and San Lazaro in the east. Today's suburbs grew out of formerly isolated villages, like Coyoacan, Tlalpan, and Alvaro Obregon, or farm areas. At present, some rural areas remain, predominantly in the municipalities of Cuajimalpa, Milpa Alta, and Tlahuac, and, to a lesser extent, in Tlalpan and Magdalena Contreras. Due to its small population (53,616 in 1980) and predominantly rural characteristics, Milpa Alta is not considered to be part of the Metropolitan Area.

Alvaro Obregon and Coyoacan both existed before the Conquest, and until the 1930s they were separated from the city proper by fields. Coyoacan, which retains much of its colonial atmosphere, is the preferred residence of many artists and intellectuals. Leon Trotsky spent his short-lived exile here in the 1930s. Xochimilco is a favorite weekend spot for families, to hire a boat and travel the canals among the "floating gardens." The upper middle class live mostly in the western part of town, in neighborhoods like Polanco and Lomas de Chapultepec, or in Colonia del Valle, further south. During the economic boom of the late 1970s, many sumptuous upper-class residences, some costing half a million dollars, were constructed in the nearby Bosque de las Lomas district. Another area with expensive mansions is Jardines del Pedregal de San Angel, near the National University.

Industry is mostly concentrated in the northern suburbs of Vallejo, Azcapotzalco, and Naucalpan, along the main roads to Toluca and the northwest. Much of the Azcapotzalco is taken up by a giant refinery of the Mexican state oil company, PEMEX, and several large graveyards. The poor population of the Metropolitan Area live on the eastern urban fringe, in the slums of Iztapalapa, Tlahuac, and Netzahualcoyotl. The latter municipality began its mushrooming growth during the 1960s and now counts about two and a half million inhabitants, mostly in precarious self-help housing. The local name for such slum areas is *ciudades perdidas* or "lost cities." However, among the inner city *colonias*, or neighborhoods, one also finds ghettos like Guerrero and Tepito in downtown Mexico, known for their tough spirit, their famous boxers, and their *fayuca* (contraband), which is peddled at the La Rinconada market. Not far away is the *Zona Rosa*, or "Pink Zone," the favorite hangout for the upper- and upper-middle-class youth.

Mexico City has some 1,600 traditional markets that continue to be important outlets for meat and produce. The best known is the La Merced market in Venustiano Carranza, close to the Pino Suarez subway station, considered the largest market place in the Americas. Among other things, the area is known as a center for the local underworld. It is now being moved to a new market complex in Iztapalapa.

The Valley of Mexico lies at an altitude of 7,500 feet, making Mexico City the sixth highest capital in the world. Within the Americas, it loses out only to La Paz, Quito, and Bogota. The average annual temperature is 59 degrees Fahrenheit, with variations from 63 degrees in May to 54 in January. Sudden temperature changes, however, are common. Air pollution is considered by many to be the worst of any major city in the world. Because the valley is surrounded by mountain ranges, thermal inversion often traps the heavy air pollution within the urban bowl. Thin air and heavy sunshine help to create a particularly pungent brownish smog which covers the area most of the time. Annual precipitation averages 28 inches. In the dry season, from November through April, the city is frequently hit by *tolvaneras*, or dust storms, which pick up dust, salt, and dried sewer deposits on the former lakebed of Lake Texcoco, east of the city.

MEXICO'S MAGNET CITY ATTRACTS MILLIONS

The growth of Mexico City relative to the rest of the country started in the late 1800s, but accelerated markedly in the first half of this century. In 1900, the Federal District had little more than half a million inhabitants, making it the largest city in the western hemisphere. This was 4.0 percent of the national population at the time. The 1 million mark was reached during the 1920s. From then until 1950, growth rates increased sharply, despite a temporary slowdown of migration in the 1930s due to the Cardenas land reform, and reached a peak of 7.3 percent annually during the 1940s. In 1950, the population of the Federal District stood at 3.05 million. About half of this growth was attributable to migration. Even in 1980, 29 percent of the population of the Federal District consisted of non-natives. This proportion was highest in Cuauhtemoc (35.8 percent) and Benito Juarez (35.4 percent). The largest numbers of migrants come from the neighboring states of Hidalgo, Guanajuato, Mexico, and Michoacan. According to the Mexican Statistical Yearbook, the number of births in the Federal District in 1979 was 280,578 and the number of deaths 48,421.

Since 1950, growth rates have diminished somewhat as part of the population increase spilled over into the contiguous municipalities of the State of Mexico. More recently, lower birth and migration rates have also slowed growth. By 1960, the population reached 4.87 million, 13.9 percent of the national total, an annual average increase of 6.0 percent over 1950. By 1970, this number had risen to 6.87 million and by 1980 to 8.83 million. The latter represents 13.1 percent of the national population, slightly less than in 1960. The average annual growth rate during the past decade of 2.5 percent has also been slightly lower than the national average. Although the growth rate of the Metropolitan Area, which may boost its population to a startling 25 to 30 million by the year 2000, is still considered alarming by many, it should be mentioned that the 8.83 million inhabitants counted in 1980 fell short of earlier projections, which foresaw population sizes of over 10 million.

Evidently, the rhythm of growth has not been homogeneous. The expansion westward began in the 1860s, when Emperor Maximilian ordered the construction of what is now the Paseo de la Reforma, linking the Zocalo with the palace in Chapultepec Park. Expansion to the east at that time was blocked by the remains of Lake Texcoco, which was partially drained during the 1920s. However, the construction of residential neighborhoods in this area was discouraged because of its alkaline soil. Unsuitable for either

How city neighborhoods differ

	population in 1980		*density ***	*growth rate***			
	males	*females*	*in 1980*	*1970-80*	*illiteracy*	*percent over age 60*	*median municipality income**
Alvaro Obregon	306,805	332,408	17,668/sqm	3. 3%	7.4%	5.0%	6,018
Azcapotzalco	292,635	308,889	45,127	1.2	5.7	5.3	6,299
Benito Juarez	242,268	302,614	48,891	-1.1	2.8	9.4	8,869
Coyoacan	283,372	313,757	26,119	5.6	5.5	5.2	6,918
Cuajimalpa	45,152	46,048	3,240	9.4	10.0	3.5	5,347
Cuauhtemoc	377,417	437,566	48,891	-1.1	3.7	9.4	6,799
Gustavo A. Madero	734,310	779,050	42,839	2.4	6.0	5.1	6,080
Ixtacalco	278,052	292,325	67,615	1.7	6.3	4.6	5,850
Iztapalapa	622,628	639,726	26,259	8.9	7.7	3.7	5,654
Magdalena Contreras	84,102	89,003	7,206	8.4	7.5	4.0	5,803
Miguel Hidalgo	249,974	293,088	48,891	-1.1	4.9	8.0	6,383
Milpa Alta	26,531	27,085	517	4.6	11.8	5.4	4,112
Tlahuac	72,918	74,005	4,302	8.6	8.7	3.8	5,261
Tlalpan	179,173	189,801	3,084	10.6	7.2	4.1	6,208
Venustiano Carranza	332,800	360,096	48,891	-1.1	5.0	6.2	6,056
Xochimilco	106,465	111,016	4,184	6.2	7.8	4.9	5,608
Federal District	4,234,602	4,596,477	15,253	2.5	5.9	5.7	6,176

** Median monthly income in 1980 Mexican pesos of the economically active population. The official exchange rate in May of 1980 was 22.86 pesos to the dollar.*

*** The population densities and growth rates of the central city municipalities (Benito Juarez, Coyoacan, Miguel Hidalgo, and Venustiano Carranza) have been averaged.*

Source: Direccion General de Estadistica, X Censo General de Poblacion y Vivienda, 1980 agriculture or reforestation, the dry lakebed lay deserted for several years until it became invaded by the slum areas of Netzahualcoyotl during the 1960s. Also during the 1920s, the construction of the 21-mile-long Avenida Insurgentes led the way to the northward expansion of the city. At first a residential area, the Avenida Insurgentes has become one of the leading commercial zones since the 1940s.

The central city of Mexico has grown very little during the past two decades. From a total of 2.23 million in 1950, its population increased to 2.83 million in 1960, stagnated at 2.90 million in 1970, and decreased to 2.60 million in 1980. Traffic congestion and other familiar problems of the central city have led many businesses to move to more distant locations. After spectacular growth of the municipalities to the east, Iztacalco and Iztapalapa, during the 1950s and 1960s, the present expansion of the Federal District is directed towards the south. The fastest growing municipalities in the 1970s were Tlalpan (10.6 percent annually), Cuajimalpa (9.4 percent), Iztapalapa (8.9 percent), Tlahuac (8.6 percent), and Magdalena Contreras (8.4 percent). In absolute terms, however, this growth is still relatively modest: The largest absolute population increases continue to be absorbed by Iztapalapa (740,259 during the 1970s), Gustavo A. Madero (327,253), and Coyoacan (257,683). An even more important portion of the population increase is accounted for by suburbs outside the Federal District such as the Ciudad Satelite, a new middle-class housing project in the State of Mexico, complete with shopping malls and parking lots, or, at the other extreme, the slum areas of Netzahualcoyotl. On the whole, the growth of these municipalities has averaged over 10 percent annually during the past decade. It is primarily due to this rapid growth in the northern periphery that Mexico City is expected to grow into the world's largest metropolitan area by the year 2000.

A YOUNG CITY NOW AND TO COME

The population of Mexico City is very young (even by Latin American standards) and will remain so well into the 21st century despite falling fertility, or the number of children a woman bears in her lifetime. Women in Mexico still commonly bear four or five children in their lifetimes, down from a high of nearly 7 children per woman in the 1950s and 1960s. Of all women in the Federal District in the 25-to-29 age group, 8 percent have had more than four births, a percentage that rises to 22 percent in the 30-to-34 age group.

Yet, despite falling fertility, the population of Mexico City will continue to mushroom due to the disproportionately large numbers of those born during past high-fertility periods entering their reproductive years. In 1980, 37 percent of the total population of the Federal District was under age 15. Another 23 percent of the population was between the ages of 15 and 24. About two out of every three residents, therefore, were under the age of 25. The working population, or those between the ages of 25 and 64 made up 36 percent of the total population. The retired population only amounted to 4 percent of the total population. Even with women having fewer and fewer babies, the population momentum built into these large and youthful population bases will continue to fuel Mexico City's surging growth.

The median age in the Federal District in 1980 was only 20.5 years, 3.1 years more than the even lower national figure. Only six municipalities had median ages over 20 years: Benito Juarez (25.1), Cuauhtemoc (24.1), Miguel Hidalgo (22.8), Venustiano Carranza (21.1), Coyoacan (20.5), and Azcapotzalco (20.1). Not surprisingly, Benito Juarez, Cuauhtemoc, and Miguel Hidalgo also had the highest percentages of elderly: 9.4 percent, 9.4 percent, and 8.0 percent of their populations, respectively, were over 60 years old, compared to an average of 5.7 percent for the Federal District as a whole.

Given such a high proportion of youth relative to the total population, it is not surprising that average household sizes in Mexico City are large. In 1980, the average was 5.02 persons per household for the Federal District as a whole, down

House and home--Mexico City's nearly 2 million registered households (1980)

municipality	*number of private households*	*mean household size*	*electricity*	*running water*	*general sewerage*	*all services*
Alvaro Obregon	122,236	5.20	97.0%	93.6%	72.1%	70.1%
Atzcapotzalco	116,479	5.11	98.1	97.6	90.6	88.6
Benito Juarez	133,973	4.05	99.0	98.9	95.0	94.0
Coyoacan	117,467	5.06	97.8	94.9	60.9	59.9
Cuajimalpa	15,446	5.90	96.3	90.6	60.3	57.3
Cuauhtemoc	198,530	4.06	98.6	98.1	91.9	90.4
Gustavo A. Madero	280,251	5.37	97.8	94.1	85.9	83.8
Ixtacalco	105,103	5.40	97.9	96.9	89.3	87.0
Iztapalapa	224,903	5.58	95.5	81.8	62.2	60.2
Magdalena Contreras	31,178	5.52	95.7	88.2	60.6	58.1
Miguel Hidalgo	117,359	4.57	98.3	97.8	91.3	89.5
Milpa Alta	9,407	5.68	88.4	81.8	24.7	23.4
Tlahuac	24,242	6.04	94.0	89.0	16.6	15.9
Tlalpan	69,747	5.19	94.9	73.9	48.5	47.6
Venustiano Carranza	141,654	4.87	98.1	97.8	91.1	89.1
Xochimilco	39,127	5.53	94.2	92.8	47.2	45.9
Total	1,747,102	5.02	97.4	93.2	78.6	76.8

Source: Direccion General de Estadistica, X Censo General de Poblacion y Vivienda, 1980

Where they work and what they make--Mexico City's economically active population (1980)

type of activity	*EAP*	*median* income*	*percentage without income*
Agriculture, forestry, and fishing	202,336	5,969	8.2%
Mining	333,858	5,859	7.4
Manufacturing industries	407,001	7,862	5.1
Utilities	72,810	7,588	4.9
Building and construction	321,627	4,812	6.6
Commerce	134,858	5,976	8.7
Transport and communication	37,105	6,327	5.5
Finance	162,970	7,994	4.3
Services	222,606	4,454	5.7
Other or unspecified activities	1,398,444	6,339	9.5
Unemployed	18,966	0	54.1
Total	3,312,581	6,176	8.0

** Median incomes are stated in 1980 Mexican pesos.*

Source: Direccion General de Estadistica, X Censo General de Poblacion y Vivienda, 1980

from 5.64 in 1970. The highest municipal figure was 6.04 in Tlahuac. Only in the central city *delegaciones* did average household sizes fall below five persons.

Despite the separation of Church and State, which is assured in the Mexican Constitution, the vast majority (69 percent) of all couples are married both legally and religiously. A much smaller portion (20 percent) are only legally married. Ten percent of couples are made up of consensual unions. Divorce and separation are still relatively rare in Mexico. In 1980, only 0.9 percent of the population of the Federal District over age 12 was divorced and 1.9 percent separated. Only 4,181 divorces were pronounced in 1979.

ROMAN CATHOLICS PREDOMINATE

As elsewhere in Mexico, by far the dominant religion of the Federal District is Roman Catholicism. In the 1980 census, 93.5 percent of its inhabitants declared themselves Catholic, and 2.3 percent had other Christian religions. The remainder consisted mostly of persons without a declared religion, who made up 2.8 percent of the population. These percentages do not vary markedly among municipalities. In addition, the Federal District has a small Jewish community, which amounted to 0.3 percent of its population. It is mostly concentrated in the municipality of Miguel Hidalgo, where it makes up 2.6 percent of the population and, to a lesser extent, in Cuauhtemoc and Benito Juarez.

Ethnically, the city is more heterogeneous. In 1980, 208,500 of the inhabitants of the Federal District spoke some indigenous language, usually Nahuatl, the old language of the Aztecs. Of these, 21,800 did not speak Spanish. The Mexican census does not publish data on numbers of foreign nationals. The number of U.S. citizens in Mexico City, however, is estimated at about 3,000.

FORMAL HOUSING OUT OF REACH FOR HALF OF ALL HOUSEHOLDS

Mexico City's shortage of low-cost housing is estimated at 800,000 units. Rents are typically beyond the purchasing power of the poor population, and high interest rates have discouraged the construction of low-income housing projects. About 60 to 70 percent of all families have no access to the formal housing market. Government-sponsored housing programs of the 1980s are meeting the needs of about 15 to 20 percent of the population, with private construction playing an even more modest role.

Consequently, much of the urban expansion has occurred through the emergence of squatter communities, called *paracaidistas*, or "parachutists" in the local language. Suburbs like Netzahualcoyotl have almost completely sprung up this way. The squatter communities are represented by the National Urban Popular Movement (CONAMUP), which attempts (often successfully) to bring pressure on the government to provide basic urban services.

If solid floors, brick walls, and tile or concrete roofs are used as criteria of sufficient quality of construction, 74 percent of all homes in the Federal District should be so classified. The proportion rises to 92 percent in Benito Juarez and falls to 46 percent in Cuajimalpa. As in most Latin American cities, access to electrical power is almost general, but running water and especially sewerage are less widely available amenities. Moreover, the rapid growth of the Metropolitan Area has made it very difficult to maintain even existing levels of these services. Access to running water in the Federal District actually diminished from 95.7 percent of all homes in 1970 to 93.2 percent in 1980.

Water may indeed be the most serious of all of Mexico City's infrastructural problems. Located in a high valley, surrounded by mountains, far away from any natural water sources, the city has so far drawn its water mostly from the mushy subsoil, at the cost of a continually sinking terrain. Paradoxically, the city also has a flood problem, as rainstorms occasionally dump large volumes of water on the area, which has no natural drainage. Earthquake damage to aqueducts and pipelines further compounds the problem.

Drinking water is brought in from the Cutzamala River Basin, but, due to the high cost of transportation, 70 percent of the $50 million annual water expenditure is subsidized by the government. In the near future, water will have to be pumped up from the even more distant Tecalutla and Amacuzac Rivers, hundreds of miles away.

EDUCATION

Although the government allocates 20 percent of its budget to education, it cannot meet the demands for buildings and personnel. In 1979, 5,230 pre-primary school teachers looked after 171,168 children in 842 kindergartens. There were 2,620 primary schools, with 35,949 teachers and a total enrollment of 1.48 million. The District's 985 high schools, with a total of 30,464 teachers, had an enrollment of 539,870, whereas the 159 vocational schools had 25,700 students. About 75 to 80 percent of the primary and secondary schools are Federally administered, but vocational schools are mostly private.

Illiteracy is an ongoing problem although now only about 6 percent of the population over age 12 is considered illiterate. Only in Milpa Alta and Cuajimalpa does the figure rise to more than 10 percent. A look at literacy by age shows that much progress has been made in reducing illiteracy. While 17.8 percent of the population over age 60 cannot read or write, only 1.9 percent of 15-to-19-year-olds and 2.3 percent of those aged 20 to 24 are so handicapped. Of those over age five, 28.2 percent have an incomplete primary education, 20.4 percent have completed primary school, and 37.4 percent have some instruction beyond the primary level. The municipality of Benito Juarez, with 57.6 percent of its residents over age five with some instruction beyond primary school, topped all other municipalities in the Federal District.

The National Autonomous University of Mexico (UNAM), founded in 1551, is the oldest university of the Americas. With 120,000 students and nearly 16,000 professors, it is the world's tenth largest university in terms of enrollment and the third largest in terms of faculty. In 1954, UNAM was moved to a new campus at Pedregal, in the southwestern section of town. At the other end of the city, in the far north, is the second largest university of the Metropolitan Area, the National Polytechnical Institute, with 62,000 students and 11,000 professors. Other smaller institutions of higher learning in the area are the Schools of Engineering and Arts, the Iberoamerican University, the Autonomous Metropolitan University, the Technological University of Mexico, the La Salle and Anahuac Universities, the Universidad del Valle de Mexico, and the Colegio de Mexico.

ECONOMIC ACTIVITY, INCOMES, AND CONSUMPTION

Data from the 1980 Mexican census on economic activity and income are of poor quality due to the use of insufficiently trained interviewers and the fact that interviewers usually surveyed in their own neighborhoods, evoking some resistance to reveal income data.

The Economically Active Population of the Federal District in 1980 consisted of 2.11 million men and 1.20 million women. Mexico City's labor force is very young, with 59 percent of the men and 66 percent of the women under age 35. By far the largest occupational category (42.2 percent) is that of "Other or Unspecified Activities." Manufacturing industries, mining, and building and construction come next. The principal manufacturing sectors, in terms of labor absorption, are chemicals, metal products, food processing, textiles, clothing, and electric products, in this order of importance. Despite much internal heterogeneity, the construction industry and services are the worst paid sectors, whereas finance has the highest median incomes.

According to an official 1982 report, 10.3 percent of the metropolitan population lived in extreme poverty and an additional 22.6 percent were unable to satisfy their basic needs. As many as 49 percent of the workers earn less than the legal minimum wage. According to data from the 1980 census, 72.9 percent of all children up to age five receive milk most days, 66.7 percent eat an egg, 42.1 percent eat meat, and 31.5 percent receive all of these items most days.

TRANSPORT AND COMMUNICATION

Transport is one of Mexico City's central problems. The factory workers of Naucalpan, Azcapotzalco, or Tlalnepantla usually commute from the poor neighborhoods in the east of town. The upper and the middle classes who live in the west and southwest usually work in the center. The two major universities, with their nearly 200,000 students, are located in the far north and southwest. In all, it is estimated that the inhabitants of Mexico City make about 22 million trips per day by some means of public or private transportation. The 1.6 million private cars, 187,000 trucks, and 66,000 motorcycles (1980) that crowd the streets of the city, burning mostly leaded gasoline, are responsible for 70 percent of the air pollution. The highway system was greatly expanded during the administration of Mayor Carlos Hank Gonzalez (1976-82). Nevertheless, private cars, which make up 95 percent of all vehicles, account for only 16 percent of the daily number of trips made.

The subway, inaugurated in 1969 and expanded during the 1970s, now has three lines in the north-south direction and one in the east-west direction, with a total extension of 65 miles. It covers a substantial portion of the area formed by the central *delegaciones* and Iztacalco, and accounts for about 20 percent of all daily trips. Its fare is one of the lowest in the world. Most travelers, however, still depend on the city's 6,000 buses. These too are heavily subsidized by the government, which took over most bus lines in September of 1981. Apart from regular taxis, the city has a large fleet of *peseros*, low-cost collective taxis that run on fixed routes. The total taxi fleet is estimated at 18,000.

The international airport of Benito Juarez lies in the eastern section of town, in the municipality of Iztapalapa. In 1981, 4.61 million passengers arrived here on national and 2 million on international commercial flights. In addition, the airport handled 4,775 metric tons of mail and 132,000 metric tons of cargo.

The 20 daily newspapers published in Mexico City account for about half of the entire country's newspaper circulation. The most important ones are *El Universal, Excelsior, La Prensa, Novedades,* and *Ovaciones.* Some print one page in English. The two major weekly journals are *Tiempo* and *Siempre.* The Metropolitan Area also counts 125 cinemas, 30 AM and 24 FM radio stations, five television channels, and a special government-controlled educational television network. The 1980 census did not publish data on mass media, but even in 1970 as many as two-thirds of all homes had both radio and television. In 1981, there were 2.23 million telephones in service in the Federal District, or almost 40 percent of the national total of 5.54 million.

SOURCES OF INFORMATION

The 1980 census of Mexico, including data on the Federal District and the neighboring municipalities of the State of Mexico, is now completely available. During the 1970s, a number of academic studies on the Metropolitan Area were published by Mexican scholars. These focus mostly on industrial development and migration. An example is "Migracion y desigualdad social en la Ciudad de Mexico," by Humberto Munoz, Orlandina de Oliveira, and Claudio Stern, published by the Colegio de Mexico and the Universidad Nacional Autonoma de Mexico in 1977. A similar study, by the same authors in English, was published by the UNESCO in 1982, under the title "Mexico City: industrialization, migration and the labour force, 1930-1970" (ISBN 92-3-101855-8). Other important studies of this type are "La dinamica del crecimiento de la Ciudad de Mexico," by Luis S. Unikel, published in 1976, and "El proceso de industrializacion en la Ciudad de Mexico, 1821-1970," by Gustavo Garza, published by the Colegio de Mexico in 1985. More recent planning information can be found in the *Atlas de la Ciudad de Mexico,* published in 1981 by the Departamiento del Districto Federal, and the *Plan General de Desarrollo Urbano del Districto Federal.* In a lighter vein, some relevant information can be found in the August, 1984 issue of *National Geographic* and in the chapter on Mexico City of Alan Riding's recent portrait of Mexico, entitled *Distant Neighbors,* published by Alfred A. Knopf in 1985 (ISBN 0-394-50005-9). More general information on Mexico is given in Daphne Spain's country profile, in *International Demographics,* volume 1, number 7, of October, 1982. ▌

- Ralph Hakkert

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SPECIAL REPORT

Tokyo's labor force

Part 1: Labor force trends

More married women at work, more new jobs in services than in manufacuring, and more part-time work. Sound familiar?

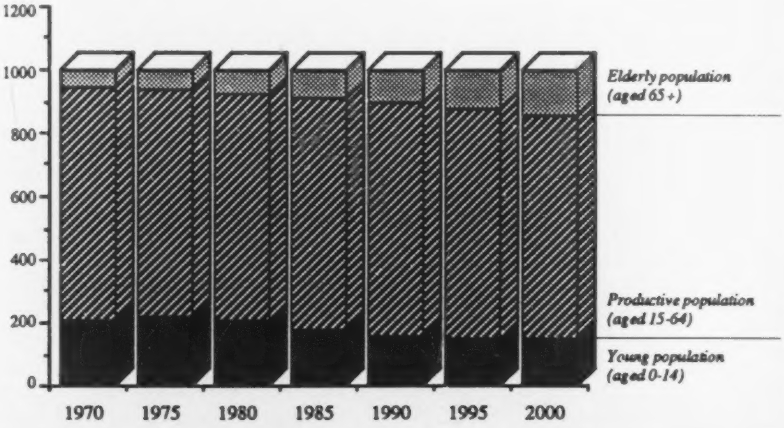
Labor trends in Japan mirror many of the major trends seen in western, industrialized nations . In a three-part series, International Demographics explores Tokyo's labor force, discussing employment trends, worker-household income and expenditure patterns, and retired-worker income and spending patterns.

The year 1986 gave Japan its highest unemployment rate since the government began recording the statistic in 1953. As small as it may seem to those in the West, 2.9 percent unemployment causes many Japanese to furrow their brows. Unemployment in the manufacturing industry brought on by the effects of the high yen came faster than the economy could accomodate.

Even with more time, analysts agree that the reassignment and retraining of big-company industrial labor is no easy task, with three-quarters of what is called Japan Inc. needing at least two to three years to readjust. And for some industries, such as textiles, pulp and paper, primary metals, and transport

(continued)

Labor market pressures to ease as number of youths decreases
population change by age (10,000 persons)



equipment, the future holds out little hope for employment. But as industrial jobs disappear, non-manufacturing jobs are expected to pick up much of the slack after a period of readjustment.

Many of these jobs will be created in the thriving and ever-growing Tokyo-Yokohama metropolitan area, where already 27 percent of all employees of Japan's service sector live and work. With 60 percent of the nation's largest businesses headquartered in Tokyo as well as 40 percent of the nation's government, economic, academic, and financial centers, Tokyo is expected to be the primary site of expanding service-sector employment. Tokyo's sudden growth as a world financial center further fuels this trend. Government analysts see an additional 800,000 joining the 2 million commuters who now cram Tokyo rail and subway lines on their way to the city center.

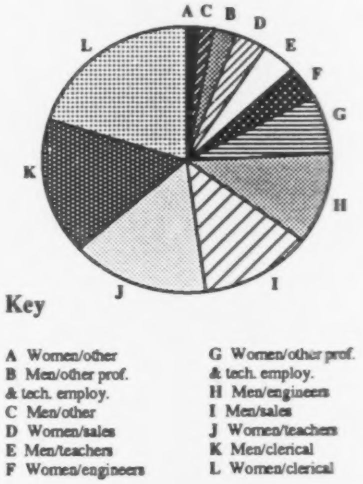
WOMEN RETURN TO WORK PART-TIME AFTER CHILDREARING

In 1982, nearly 79 percent of Tokyo men over age 15 and about 47 percent of Tokyo women over 15 were employed. This percentage increased markedly for men aged 25 to 54, with 95 percent holding jobs, then decreased with age. However, of men over 65, half still held jobs.

Women, on the other hand, routinely leave their jobs for childbearing and return to the workplace --often as part-time workers--when household duties lessen as children enter the upper levels in school. One out of five women employees is a part-time worker, although a part-time job in Japan is much like a full-time job in the West as far as hours worked goes. In 1984, the typical part-time woman worker in Japan averaged six hours a day, 5.3 days a week.

Much as in other developed countries, the participation rate for Tokyo women peaks at about 70 percent in the 20-to-24 age group, then steadily drops until the 30-to-34 age group is reached. However, more Tokyo women remain in the workforce after marriage--about 50 percent--than do those of any other EC country, except for French women (50 percent) and Danish women (65 percent). And more return after raising children than do most of their EC counterparts, reaching a peak of about 60 percent in the 40-to-44 age group, and then steadily declining to about 45 percent in the 55-to-59 age group. Only the United Kingdom, France, and Denmark show comparable rates.

**Tokyo's university grads--
Where they end up**



But, as yet, Tokyo women are much more reluctant than American women to quickly rejoin the workforce after childbearing. In the US, 48 percent of employed women who had babies in 1985 were back to work in 1986. Just 10 years earlier, only 30 percent of women returned to work within a year after a birth. This trend is even more pronounced among college-educated American women. Sixty percent of the half million college-educated women who had a child in 1985 were back at their desks within a year or less.

Tokyo women rejoining the workforce is a trend expected to continue as households increasingly depend on women's wages to pay for the spiraling costs of higher education. And women are contributing more to family income. In 1983, the working housewife's share of household income was about 8 percent, up from 6.5 percent only two years previous. In 1983, working housewives between the ages of 45 and 49 accounted for 9.7 percent of household income.

For all Japan in 1983, 56 percent of women employees 35 years or older worked, up from 40 percent in 1970. Nationwide, 60 percent of all married women workers were employed in 1983, up from 32.7 percent in 1962.

At age 60, employment for Tokyo's women falls off sharply, with only about 15 percent still in the labor force. However, in almost all age groups, the participation rates of Tokyo women in the workforce trail nationwide averages, especially at the older age brackets. The opposite trend, however, is true for Tokyo men.

WHERE THEY WORK

In 1982, about 3.7 million Tokyo men and 2.2 million Tokyo women over age 15 worked, or about 5.9 million of the estimated 6.8 million persons working in Tokyo. Of those, 3.1 million men and 1.6 million women were paid employees; 541,000 men and 224,000 women were self-employed; and 63,000 men and 290,000 women were workers in family businesses. These figures only include residents of the Tokyo Metropolis and do not count communters from outlying districts. For a more detailed breakdown on the jobs Tokyo residents do, see the accompanying flowchart (p.10).

In the 10-year period between 1972 and 1982, service-industry employment expanded while manufacturing-industry employment decreased. Within the service industry, the services in which employment grew the fastest were specialized services such as civil engineering and construction services; medical services; information, research, and advertising services; and business-related services such as security services.

By 1983, 22 percent of Tokyo-resident workers were employed in services, 37 percent in wholesaling and retailing, 21 percent in manfacturing, 8 percent in construction, 6 percent in transportation and communication, 5 percent in finance and insurance, and 2 percent in real estate. Of the 465,961 employees of small-scale establishments--those with one to four employees-- nearly half were employed in the wholesale/retail trade and nearly a quarter in services, with 15.7 percent in manufacturing. Of the 1.5 million employees of medium-scale businesses of from 5 to 29 employees, about 38 percent were employed in wholesale and retail, 20 percent in services, and 23 percent in manufacturing. Of the 3.4 million employees of firms with 30 or more employees, 20.5 percent were employed in wholesale and retail, 23.5 percent in services, and 25 percent in manufacturing.

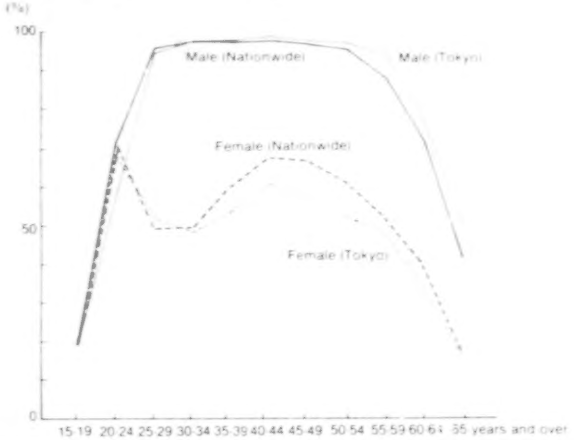
What the future holds

Those who fear further unemployment can take some solace in Tokyo's long-term demographic picture. As shown in the accompanying bar chart, labor-market pressures will eventually ease as Tokyo ages past its 1990s labor-surplus scene brought on by large numbers of the children of the postwar baby boom reaching working age.

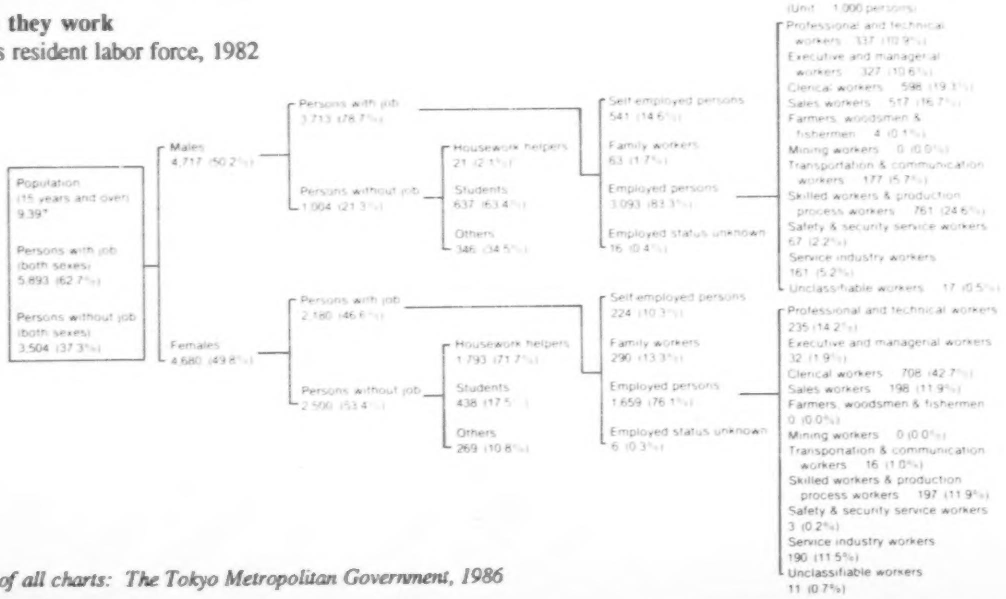
The proportion of Tokyo's total population made up of those 15 to 64 (the productive population or the city's labor pool) will actually decrease from its 1990 projected high of 74 percent of the population to 70.4 percent of the population in the year 2000. Those aged under 15 will decrease from 20.6 percent of Tokyo's total population in 1980 to only 15.3 percent of its total population in the year 2000 as the share of the total population taken up by Tokyo's "silver generation" leaps from 10.3 percent of the total population in 1990 to 14.3 percent in the year 2000.

To absorb the huge crop of new entrants into the labor force in the 1990s--the second wave of baby boomers born between 1971 and 1974-- government planners want to see businesses spread the available work among more people. They suggest increasing annual nonworking days to about 140 days (from about 100) by switching to a five-day work week, encouraging employees to use their full annual vacations, and extending the Golden Week holiday from three days to a full week. To avoid unwanted workers swelling the ranks of the unemployed, companies are being urged to increase part-time employment and consider job-sharing. ▌

Tokyo women workers break for childrearing
Percentage of employed residents , 1982



Where they work
Tokyo's resident labor force, 1982


(Unit : 1,000 persons)
Population (15 years and over) 9,397
Persons with job (both sexes) 5,893 (62.7%)
Persons without job (both sexes) 3,504 (37.3%)
Males 4,717 (50.2%)
Females 4,680 (49.8%)
Persons with job 3,713 (78.7%)
Persons without job 1,004 (21.3%)
Housework helpers 21 (2.1%)
Students 637 (63.4%)
Others 346 (34.5%)
Self-employed persons 541 (14.6%)
Family workers 63 (1.7%)
Employed persons 3,093 (83.3%)
Employed status unknown 16 (0.4%)
Professional and technical workers 337 (10.9%)
Executive and managerial workers 327 (10.6%)
Clerical workers 598 (19.3%)
Sales workers 517 (16.7%)
Farmers, woodsmen & fishermen 4 (0.1%)
Mining workers 0 (0.0%)
Transportation & communication workers 177 (5.7%)
Skilled workers & production process workers 761 (24.6%)
Safety & security service workers 67 (2.2%)
Service industry workers 161 (5.2%)
Unclassifiable workers 17 (0.5%)
Persons with job 2,180 (46.6%)
Persons without job 2,500 (53.4%)
Housework helpers 1,793 (71.7%)
Students 438 (17.5%)
Others 269 (10.8%)
Self-employed persons 224 (10.3%)
Family workers 290 (13.3%)
Employed persons 1,659 (76.1%)
Employed status unknown 6 (0.3%)
Professional and technical workers 235 (14.2%)
Executive and managerial workers 32 (1.9%)
Clerical workers 708 (42.7%)
Sales workers 198 (11.9%)
Farmers, woodsmen & fishermen 0 (0.0%)
Mining workers 0 (0.0%)
Transportation & communication workers 16 (1.0%)
Skilled workers & production process workers 197 (11.9%)
Safety & security service workers 3 (0.2%)
Service industry workers 190 (11.5%)
Unclassifiable workers 11 (0.7%)

Source of all charts: The Tokyo Metropolitan Government, 1986

REGIONS

ASIA

Malaysia to up its population

While many Asian countries worry over too many people, Malaysian authorities want more. The Mahathir government would like to see Malaysia's 1986 population of 15.7 million expand to 70 million by 2100, 115 years from now. Already facing a labor shortage, officials see accelerating the population growth rate as the answer to the continued healthy growth of the Malaysian Gross National Product, which now averages between six and seven percent annually.

The already less-than-adequate workforce of about 5.7 million workers is bolstered by 300,000 Indonesian, Filipino, and Thai workers. Yet to effectively pursue Malaysia's industrialization plans of eventually exporting manufactured goods rather than raw materials, the government needs an expanding pool of indigenous labor and a large domestic market.

Increasing the population will require reversing current population trends--trends tied to Malaysia's rising standard of living. As in other developing countries, the number of children women commonly bear decreases as women increasingly enter the workforce, become better educated, and plan smaller families as the need to bear many children to secure their old age and increase the family labor pool lessens. Working Malaysian women are marrying later and having fewer children. About 41 percent of Malaysian women workers marry at age 21 or later. Between 1957 and 1977, the fertility rate-- or the number of children a woman commonly bears in her lifetime--fell from nine to six children. The present fertility rate is down to 3 lifetime births per woman.

Malaysian officials want to slow the rate at which the fertility rate is decelerating so that it would reach 2.1 births per women--the level at which a population just replaces itself--by 2070 rather than the expected 2030 if current trends prevail. This would make the 70-million target achievable by 2100 and would stabilize the population at 73 million by 2150.

But, using Malaysia's current 2.5 percent annual growth rate, the World Bank projects that Malaysian population will only grow to half the government's desired size by 2100, or 35 million people.

To encourage more births, the government pays its employees' maternity bills for up to five children per woman. Officials are trying to get the public sector to follow suit. But, stronger measure and incentives may be necessary to convince up-and-comers to have more children. Malaysians have enjoyed a rising standard of living and are becoming increasingly educated and urbanized. The poverty rate has been cut in half, and the middle class is increasing. In 1980, 19 percent of Malaysian households owned a car, up from 9 percent in 1970; 35 percent owned a motorcyle, up from 13 percent; 28 percent owned a refrigerator, up from 10 percent; and 53 percent owned a TV, up from 12 percent.

Source: Asia Research Bulletin

Singapore's ethnic balance shifting

Too few of the right people? Racial overtones to population programs are not news, but Singapore's Prime Minister Lee couldn't be more frank. Worried over the falling birthrate among Singapore's graduates, Lee set up a Social Development Unit to pay for eligible grads to meet each other on cruise ships or at beach resorts.

Why all the fuss? While fertility rates for Chinese Singaporeans have continued to plunge way below replacement level of 2.1 lifetime births per woman--the number a population needs to replace itself--rates for Indians hover around replacement level and rates for Malays are slightly higher than replacement level. In 1985, 69 percent of births in Singapore were to Chinese Singaporeans, although Chinese Singaporeans made up 76.4 percent of the population; 19 percent were to Malay Singaporeans, although they made up about 15 percent of the population; and 7.7 percent of births were to Indian Singaporeans, although they made up 6.4 percent of the population.

NORTH AMERICA

Canada's women workers make headway

In 1984, Canadian women working full-time made 66 percent of their male counterparts' wages, up from only 58 percent of the earnings of men in 1967. This upward trend in women's earnings relative to men's is expected to continue as women marry later, invest more years in education, and have smaller and later families. In fact, the better educated and the younger a woman is, the better chance she has at equaling the income of her male counterpart.

Young working women in 1984 fared better than women of their mother's generation with a much narrower gap between their earnings and the earnings of men. Among 15-to-19-year-olds, for example, women made 83 percent of what men made, and among 20-to-24-year-olds, women made 79 percent of their male counterpart's earnings. The older the worse off, with 45-to-54 year-olds only making 61 percent of male earnings in 1984.

Increased educational attainment also upped women's share. Women with eight or less years of formal education only earned 57 percent of the earnings of equally educated men, while women with postsecondary schooling made 70 percent of the wages of equally educated men.

Being single also made a difference. Married women working full-time all year earned 61 percent of men's earnings, but single women earned 89 percent of men's earnings. And, although 63 percent of all husband/wife families in Canada are dual-earner households, in only 22 percent of them did the wife make more than her husband.

For more detailed information on the earnings of men and women in Canada, order *Earnings of Men and Women, 1984* from Statistics Canada's Household Surveys Division at (613) 991-6898. This report compares 1984 earnings of men and women by such characteristics as age, education, occupation, and marital status. Also presented are data on the earnings contributions of husbands and wives to family income. The data are drawn from the Survey of Consumer Finances conducted in April 1985 and are the latest data showing annual earnings by sex.

EUROPE

European students trail their American and Japanese counterparts

With all the hubbub over Japanese education versus American education, no one here is paying much attention to just how well the Europeans are educating their youth. But the E.C.'s Economic and Social Committee is concerned over the results of their recent study of European education in which they found European students not as well trained as their Japanese and American counterparts.

For one, although school-leaving age for European youth is about the same as it is for Japanese and American youth, 86 percent of American students and 94 percent of Japanese students go on for higher education, compared to only 50 percent of European youth. And a larger proportion of Japanese and American students attend university, 39 percent and 44 percent respectively. These figures compare to only 30 percent of French students, 26 percent of Italian students, 18 percent of German students, 15 percent of those in the Netherlands, and 7 percent of British students.

Funding is not the problem, the study found. The student-teacher ratios found in Japan, the US, and Europe were roughly comparable, and funding competitive.

In only one area, however, the Europeans outshone the Americans, although the Japanese held the lead. Sixty-eight percent of all degrees awarded in Japan were science degrees, as compared to 44 percent in the U.K., 42 percent in Germany, and 40 percent in Italy. The US trailed with only 22 percent of its degrees awarded in science. ▮

COMING UP

Beijing--The latest data from just-translated sources

How Tokyo workers spend their yen

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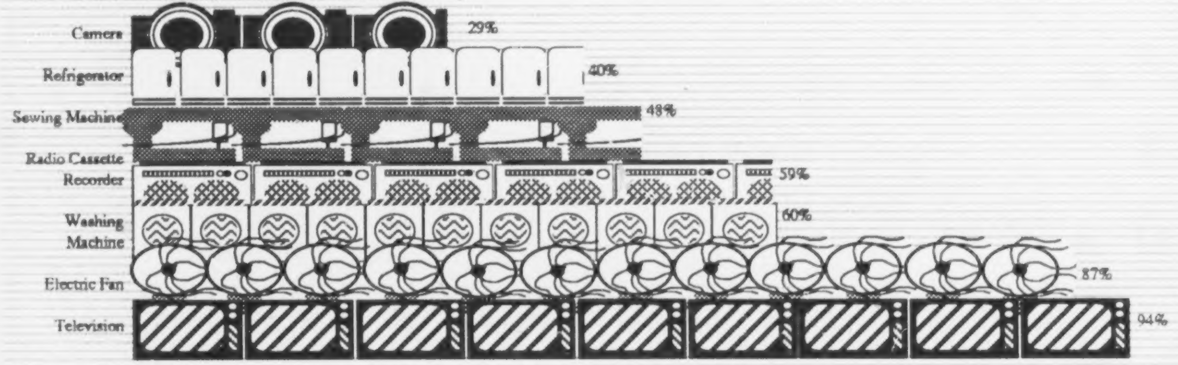
CONSUMER TRENDS AND MARKETS ABROAD
MARCH 1987 VOLUME 6 NUMBER 3

International Demographics

RECEIVED MAR 03 1987

What Beijing households own, 1985
Percent of households that own the following:



Source: NFO/SRG International, Ltd.

COUNTRY PROFILE

Beijing--ten years after Mao

Ten years after Mao's death, Beijing is a different place. Crowds dressed in the uniform blue clothes of Mao's China now are dotted by many wearing more stylish clothes. Street vendors are commonplace. Billboards extol the virtues of Japanese appliances rather than Communist thought.

Changes like these brought on by Deng Xiaoping's economic reforms are just part of the picture, however. Yes, the average Beijing resident has more money to spend in a considerably freer marketplace, but still not a lot by Western standards. And although China's modernization has meant more for many, the market for imports reflects government economic priorities more than consumer preferences.

So why pay attention now to the lives of Chinese consumers? First, as early as only 10 years ago most Chinese had never even seen a commercial ad from the West. Those who advertise early can count on a loyal following from one of the world's most brand conscious peoples. And since big brand names mean nothing to the previously unexposed Chinese consumer, foreign companies all start off on equal footing. Where else but in China is a Toyota favored over a Rolls Royce?

The long-term investment oriented Japanese have already profited. Clearly the biggest advertisers in China over the longest period, the Japanese sell more consumer products in China than any other country.

Secondly, even though the consumer goods currently in demand are most likely to be supplied by domestic sources, the producer goods from an array of industries needed to support the increased demand are most likely to be imports, according to U.S. Census Bureau China analysts Jeffrey R. Taylor and Karen A. Hardee. Taylor and Hardee point to, for example, the derived need for chemicals, textiles, and machinery as more moneyed Chinese buy more

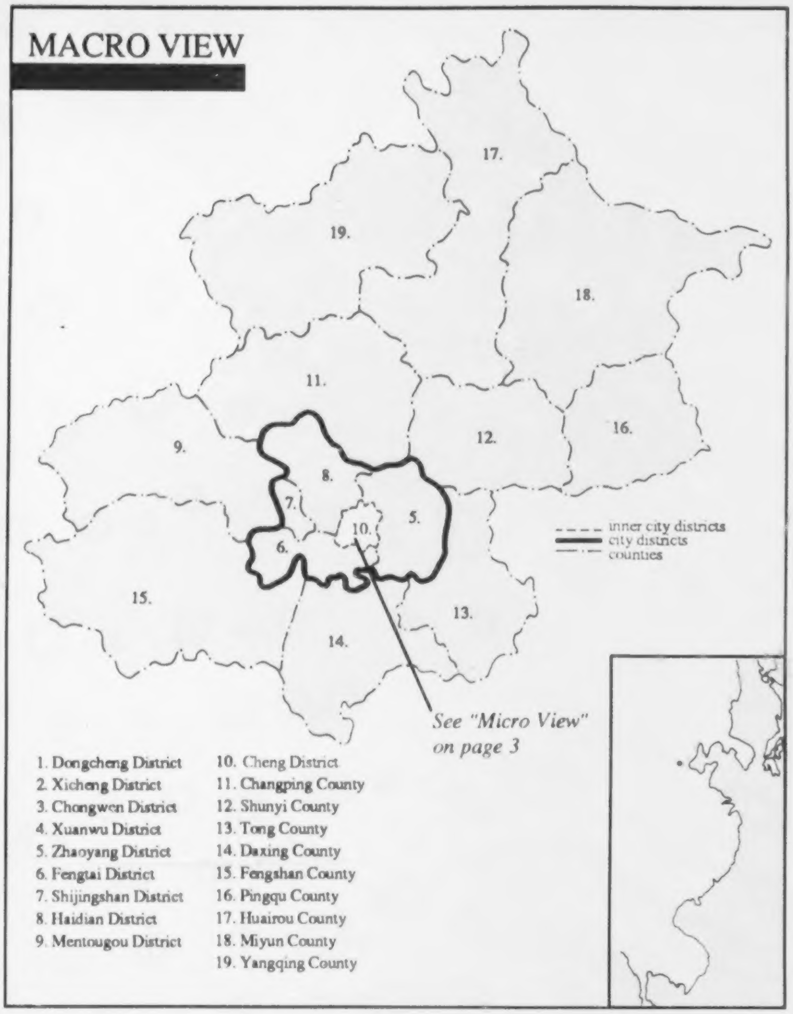
(continued)

INSIDE

Dos and Don'ts of Advertising in China..........8
A European version of globalism..........9
Labor in Tokyo--The second in a three-part series..........10

THIS MONTH: BEIJING

MACRO VIEW



See "Micro View" on page 3

1. Dongcheng District
2. Xicheng District
3. Chongwen District
4. Xuanwu District
5. Zhaoyang District
6. Fengtai District
7. Shijingshan District
8. Haidian District
9. Mentougou District
10. Cheng District
11. Changping County
12. Shunyi County
13. Tong County
14. Daxing County
15. Fengshan County
16. Pingqu County
17. Huairou County
18. Miyun County
19. Yangqing County

varied and higher grade foods. Tracking consumer demand trends in China can give potential exporters a fairly good idea of the producer goods China will turn to the world market to supply, according to Taylor and Hardee.

Following the demographic trends affecting China's billion-plus society is also important when looking to the the future of consumer goods as China evolves into a major world market. China's current one-child policy, for example, will, if unaltered, change a now young society into a rapidly aging one. Since age and income are the most important demographic characteristics in determining what people will buy, this trend should not be overlooked.

As in most of the developing world, what happens in urban areas heralds the future of its entire populace. Taking a close look at the residents of Beijing--China's capital and the center of its political and cultural life--is a good place to start in pursuit of the Chinese consumer.

THE ANATOMY OF BEIJING

The 1982 Chinese census placed the population of the municipality of Beijing at 9,230,687 people. The Beijing Municipality contains a total of 16,807 square kilometers, of which city districts account for about 87.1 square kilometers; suburban districts, 2,650.7 square kilometers; and counties, 14,070 square kilometers.

The four city districts were by far the most crowded with an average population density of 27,094 people per square kilometer. The four city districts of Dongcheng, Xicheng, Chongwen, and Xuanwu were home to about 2.5 million people in 1982. Xuanwu district had the highest population density at 33,240 people per square kilometer.

Suburban districts and counties were much less crowded, with average population densities of 1,271 people and 263 people per square kilometer, respectively. The suburban districts of Zhaoyang, Fengtai, Shijingshan, Haidian, Mentougou, and Yanshan housed about 3.5 million people, while Beijing Municipality's nine counties housed about 3.7 million people. The suburban district of Mentougou had the lowest population density of only 190 people per square kilometer. All other suburban districts had population densities in the 2,000 people per square kilometer range. Shijingshan District had the highest suburban population density at 2,838 people per square kilometer, followed by Haidian District, 2,575 people per square kilometer; Zhaoyang District, 2,335 people per square kilometer; Fengtai District, 2,014 people per square kilometer; and Yanshan District, 2,042.

EXTENSIVE DEVELOPMENT OF INDUSTRY FUELS POST-LIBERATION POPULATION GROWTH

At liberation, about 2 million people lived in the Beijing Municipality. The city districts housed most of the population, accounting for 1.65

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million residents. By 1958, the population of the city districts had grown to 3.6 million people and the eight provinces of Hebei Province newly incorporated into the Beijing Municipality pushed the total for the Beijing Municipality to about 6.6 million people.

Due mainly to the extensive development of heavy industry in Beijing and the creation of over 1 million jobs in this sector between 1949 and 1979, Beijing's population jumped to 8.7 million by 1979. The population of the Beijing Municipality grew by about 1.6 million people between 1964 and 1982, at the annual average rate of 1.1 percent.

Due to the extensive development of industry in Beijing, Beijing now leads the country in the production of ethylene, plastics, synthetic rubber, electronic computers, and microcomputers. Such important consumer goods as woolen fabrics, knitting wool, pocket-size calculators, household refrigerators, and cars are also produced in Beijing. In 1984, Beijing had 4,291 industrial enterprises employing about 1.7 million people.

ONE CHILD IS THE NORM

Being an only child in Beijing makes you just one of the guys. In 1981, 93 percent of couples with only one child in city districts and 63 percent of couples with only one child in the counties had a one-child certificate. A one-child certificate offers couples who agree not to have a second child monetary bonuses, preferential housing allocation, and preferential treatment in education and job assignment for the child.

Beijing is typical of the trend in China's urban areas of single-child families. In 1983, an astounding 91 percent of all births in Beijing were first births, up from 85 percent in 1981. Sterilization is also on the rise. With the low fertility rate of 1.6 births per woman in 1981, Beijing has already reached a below-replacement level fertility rate--2.2 births per woman is considered the number of births necessary to just replace a population.

However, Beijing's population will continue to grow despite its one-child policy and drastically reduced fertility rates. Even only having an average of one or two children per couple, Beijing's present substantial number of young couples will produce growth as births outnumber deaths. Only when the disproportionately large numbers of young people born during Beijing's past high-fertility period of the 1950s and 1960s have passed out of their childbearing years will births equal deaths. At that point, the population will stop growing from natural increase and stabilize.

In the 1970s, Beijing's birthrates declined steadily due not only to family planning initiatives but also to the deportation of young adults to the countryside during the Cultural Revolution. The birthrate of 23 per 1,000 in 1965 fell to 18 per 1,000 in 1972, then dropped to a low of 9 per 1,000 in 1976, rising thereafter. By 1975, Beijing's city district had reached the below-replacement level fertility rate of 1.2 births per woman, while suburban districts hovered around 2.2 births per woman.

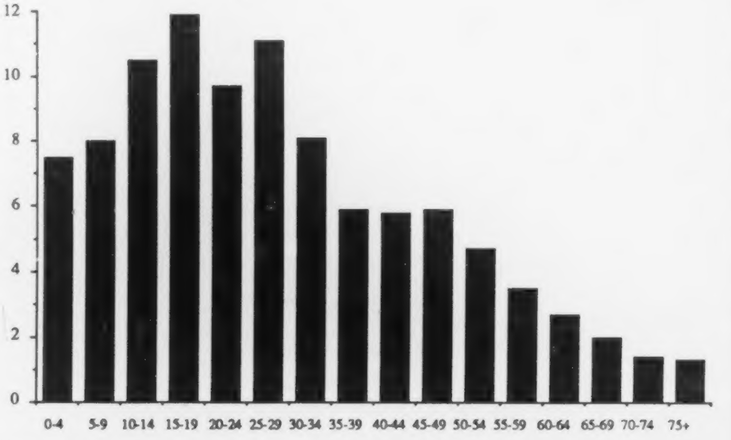
MICRO VIEW

Even when the large group of youths born during the high-fertility early 1950s reached childbearing age in the late 1970s, birthrates remained depressed due to government-mandated minimum marriage ages of 25 years for women and 28 years for men. With deported youths returning to Beijing in the early 1980s and the number of marriages doubling from 69,000 in 1977 to 130,000 in 1979, the birthrate peaked in 1982 at 15.5 births per 1,000. The total fertility rate in 1982 was 1.4 children per woman.

AVERAGE AGE OF FIRST MARRIAGE AND FIRST CHILDBIRTH RISING

A 1981 survey polling 8,000 Beijing women found that the average age of

China's cities--young for now *(in percent)*
Percent distribution by age



Source: State Statistical Bureau (1983b) first marriage and first childbirth is gradually rising while the interval between marriage and first birth is shortening. Of those surveyed, women who were 67 years of age at the time of the survey were married at the average age of 20 and bore their first child at age 23 while women who were 35 years of age at the time of the survey were married at the average age of 24 and had their first child at age 26.

The average number of children per woman is also falling. Women who were 67 years of age at the time of the survey had an average of 4.5 births in their lifetimes; women who were 35 years of age at the time of the survey had an average of 1.6 births in their lifetimes. Only 4 percent of women aged 35 at the time of the survey had given birth to three or more children, compared to nearly 77 percent of those aged 67 at the time of the survey.

The survey also found that the proportion of couples having only one child was rising. Thirty-eight percent of the women polled who were age 35 at the time of the survey had only one child, as compared with 11 percent of those age 41 at the time of the survey and 8 percent of those age 67 at the time of the survey.

CURRENTLY YOUNG BEIJING TO AGE RAPIDLY

Exact numbers for the proportions of people at various ages in Beijing's population are not yet available. However, age composition figures are available for China's urban areas taken as a whole. A general idea of Beijing's age composition can be gleaned from these national averages for urban areas (see chart on page 3). China's cities are much older than rural areas, with an average median age of 26 for cities and 21.5 for rural areas. China's 1982 census indicates that 26 percent of city dwellers are under age 15, 21.6 percent between the ages of 15 and 24, 47.7 percent are between the ages of 25 and 64, and 4.7 percent 65 or over.

The importance of Beijing's age structure--the proportion of people at various ages in the population--cannot be overestimated. Already, the architects of China's "later, longer, fewer" birth control campaign and its more restrictive one-child policy are concerned over the "gray revolution"--a rapidly aging China with too few young workers to support a huge population of elderly. Many too fear placing China's future in the hands of an all-too-pampered class of only children brought up as the apples of their parents' eyes. Supporting two elderly parents will bring a special burden to these children.

Qin Xu of China's State Advisory Board on Ageing Problems projects that given life expectancy reaching 78 years for men and 80 years for women, and with an average of 1.5 lifetime births per woman, the proportion of those over 65 in China in 2040 will be about 29 percent. China's demographic evolution would then reproduce the Japanese experience only delayed by about 20 years. A more conservative projection by Xu sees life expectancy reaching 71.7 years for men and 74.7 for women with women commonly bearing 2.1 children in their lifetimes. This would result in about 19 percent of China's population in 2040 being over age 65. At liberation, men and women were likely to live to only about 50 years of age. At present, life expectancy in Beijing is 72 years of age (70.6 for men and 73.5 for women), up from 68 years for men and 70.7 years for women in 1975.

In either case, as the burden shifts from supporting the dependent young to supporting the dependent old, China will need to revamp its policies to alleviate the stress placed on Chinese families and to increase financial aid to the elderly.

THE ONE-VERSUS-TWO CHILDREN DEBATE HEATS UP

As fears of a rapidly aging society worry Chinese planners, family

Urban Chinese still outspend peasants but the gap narrows: Comparison of urban and rural per capita expenditure levels and rates of growth, 1978 and 1984

Expenditure category	*Urban per capita expenditure levels (current yuan)*		*Rural per capita expenditure levels (current yuan)*		*Annual averge growth rates, 1979-1984 (percent)*	
	1978	1984	1978	1984	Urban	Rural
Total	311	559	116	274	10.3	15.4
Food	179	324	79	162	10.4	12.8
Clothing	42	87	15	28	12.8	11.5
Fuel	8	9	8	15	1.6	10.5
Housing/rent	7	11	4	32	6.4	43.6
Daily articles and others	49	91	8	30	11.0	25.8
Cultural articles and services	26	37	3	7	6.5	12.9

Note: Data for urban households were aggregated into the rural expenditure categories traditionally used by the State Statistical Bureau in the rural household surveys. Urban survey categories of "rents" and "housing and materials for construction" were combined into the "housing/rent" category shown above. The "housing and rents" portion of this category for 1978 had to be estimated, based on its 1982 share of urban per capita expenditure. Components may not add to totals because of rounding.

Source: Jeffrey R. Taylor and Karen A. Hardee, Consumer Demand in China: A Statistical Factbook, Westview Press, 1986.

planning programs are once again under intense scrutiny. Some analysts feel that the one-child policy will go by the boards as longer spacing between children is seen as an alternative to limiting births to a single child.

Major reservations about the one-child per couple policy were voiced as early as 1979 by noted Chinese demographer Liang Zhontang. The one-child limit, he stated, would leave one young couple 30 years from now supporting four parents and one child. In addition, with rising incomes and the marked Chinese preference for boys, the desire for second children would be very strong among the Chinese people. Allowing two children would help make planned reproduction truly voluntary.

To avoid the too-rapid-aging trap, Liang proposed the Zhou Enlai program of *xi* and *shao*--longer spacing and fewer children. Liang's model calls for each current couple being allowed two children, but with children spaced eight to ten years apart. Beginning in 1990, 30 percent of couples would have only one child, hopefully voluntarily due to the couple's sense of having an already completed family unit and the now more real incentives of preferred placement in education and jobs for only children. Many analysts feel that in light of mounting concerns over the long-term effects of the one-child policy this type of option will be increasingly looked at by China's population planners.

HOUSEHOLD SIZE DECREASES, MORE FAMILY MEMBERS WORK

Household composition trends in Beijing are typical of most urban areas in China. The size of families is declining, with more family members working. These trends, in conjunction with swiftly rising living standards due to the post-1978 economic reforms, have led to more households having more money to spend. Between 1981 and 1984, for example, the percent of staff and worker households having annual per capita incomes above 600 yuan rose from 18 to 49 percent of all staff and worker households. (Urban households are called staff and worker households, as opposed to rural households which are called peasant households.)

A 1982 survey of 1,200 staff and worker households in Beijing found that the average household size in Beijing was 3.9 persons per household, down from 5.2 persons per household in 1965 and 4.1 persons per household in 1981. The average number of jobholders per household was up, from 1.5 persons in 1965 to 2.3 persons in 1982. This lowered the average number of dependents per employed person in Beijing from an average of 3.3 dependents per jobholder in 1965 to 1.6 dependents per jobholder in 1982.

Nationwide, an average of 2.4 members of staff and worker households were employed in 1984, up from an average of 1.6 workers in 1964. This coupled with reduced overall family size has reduced the number of persons supported by each worker from 3.4 persons in 1964 to 1.7 persons in 1984.

In 1982, Beijing households averaged 3.9 persons per household, slightly lower than the 4.1 persons per urban household 1982 national figure. Beijing households averaged 2.4 jobholders per household--just equaling the nationwide average. Dependents per household for Beijing averaged 1.6, just slightly lower than the 1.7 dependents per household

Population of the municipality of Beijing in thousands (1985)

			Daytime population		
Administrative district	*Total*	*Subtotal*	*Non-agricultural population*	*Agricultural population*	*Temporary population*
Municipality	9,666	9,452	5,581	3,871	214
City districts	2,488	2,376	2,375	1	112
Dongcheng	661	634	634	--	27
Xicheng	782	749	749	--	33
Chongwen	450	429	429	--	21
Xuanwu	595	564	563	1	31
Suburban districts	3,473	3,379	2,608	771	94
Zhaoyang	1,116	1,099	833	266	17
Fengtai	627	613	428	185	14
Shijingshan	250	243	218	25	7
Haidian	1,144	1,097	911	186	47
Mentougou	257	252	143	109	5
Yanshan	79	75	75	--	4
Counties	3,705	3,697	598	3,099	8
Changping	389	386	104	282	3
Shunyi	484	484	49	435	--
Tong	551	550	111	439	1
Daxing	433	433	70	363	--
Fengshan	619	618	124	494	1
Pingqu	344	344	29	315	--
Huairou	238	237	30	207	1
Miyun	396	396	48	348	--
Yangqing	251	249	33	216	2

Source: Social and Economic Yearbook of Beijing Municipality, 1985

national average.

In 1984, there were 2.6 million households in Beijing. Average household size was 3.7 persons per household, just under the national average for urban families of slightly more than 4 persons.

RISING INCOMES, CHANGING EXPENDITURE PATTERNS

Post-1978 economic reforms have significantly raised Chinese living standards. Per capita income available for living expenses in urban China almost doubled in just six years--from 316 yuan in 1978 to 608 yuan in 1984. Average per capita monthly income available for living expenses in Beijing staff and worker households increased 1.6 times from 1955 to 1982, from 18 yuan per month in 1955 to 47 yuan per month in 1982, according to the 1982 staff and worker household survey. This compares to the nationwide average of 42 yuan per capita in 1982.

With rising overall income, staff and worker Beijing households tend to up their consumption of raw and prepared foods--pork, beef and lamb; animal and vegetable oils; meat products; poultry; eggs; fresh fish and shrimp; fresh vegetables and fruits; soybean products; sugar; cigarettes; distilled spirits; tea; pastry and candy; milk powder; and canned goods. The consumption of rice, flour, and cereals, however, remains stable.

The purchase of cotton cloth, polyester-cotton cloth, cotton clothing and shoes does not rise with increased income, but the purchase of woolens, silks and satins, and woolen, silk, or satin clothing, knitwear, leather shoes, and blankets, does. Consumption of scented and medicinal soaps, cosmetics, and athletic gear increases with rising income. The purchase of durable consumer goods, including such items as bicycles, watches, electric fans, furniture, and transistor radios, also rises with increased income.

The survey found that in 1982, the 1,200 households surveyed bought 994 pieces of furniture, 220 bicycles, 162 electric fans, 122 transistor radios, 93 clocks, 73 tape players, and 68 washing machines. More up-to-date consumer data are readily available from such market research firms as NFO/SRG International, Ltd., an American market research firm that has already conducted extensive omnibus surveys in Beijing as well as in other major Chinese cities (see Inside Information on page 7 for further details on this firm).

In 1982, staff and worker households in Beijing spent 57 percent of their income on food, of which just over 2 percent was spent eating out and 8 percent was spent in collective dining halls. About 10 percent of the total expenditure on food was spent on cereals, 31 percent on nonstaples, 6 percent on tobacco, spirits, and tea, and 10 percent on other foods. The next largest expenditure category was clothing. Households spent an average of 15 percent of their income in this category.

Articles of everyday use consumed another 11 percent; cultural and recreational articles, 4 percent; books, magazines, and newspapers, 1 percent; medicines and health-care products, 0.4 percent; housing and construction materials, 0.3 percent; and other commodities, 0.6 percent. Expenditures on fuel only amounted to 1.6 percent of total consumption. Expenditures on noncommodities totaled 8 percent, of which rent accounted for only 1.7 percent of total consumption; water, 0.4 percent; electricity, 0.6 percent; educational costs, 0.2 percent; childcare, 0.3 percent; transport, 2.5 percent; posts and telecommunications, 0.2 percent; cultural and recreational costs, 0.5 percent; repair services, 1.1 percent; medical and health care, 0.6 percent; taxes and insurance, 0.03 percent; and other noncommodity expenditures, 0.6 percent. (Totals may not add up due to rounding.)

A recent study on trends in household consumption conducted by the Chinese Academy of Social Sciences in Beijing and the Development Research Department of The World Bank predicts that by 1990 per capita monthly income available for living expenses per household will rise to 68 yuan in urban areas. By the year 2000, this figure should rise to 118 yuan. By the year 2000, they predict that the purchase of commodities in staff and worker households will account for 88 percent of total expenditures, with noncommodity expenditures accounting for the other 12 percent. Food will account for 50 percent of total expenditures, as compared with 57 percent in 1982; clothing, 16 percent, as compared with 15 percent in 1982; articles of daily use, 20 percent, as compared with 11 percent in 1982; and fuel, 2 percent, as compared with 1.6 percent in 1982. To obtain a copy of this report, see the sources section.

SOURCES

By far the best source for demographic information on specific cities, provinces, and areas in China is the U.S. Census Bureau's Center for International Research, Scuderi Building, Bureau of the Census, Washington, D.C. 20233; telephone (301) 763-4012. Another good source of demographic information on China is the East-West Center's Population Institute, 1777 East-West Road, Honolulu, Hawaii 96848; telex, 989171; cable, EASWESCEN; telephone (808) 944-7200.

Two recent books on consumer trends in China (published in English) are indispensable for any exporter looking at Chinese markets. *Consumer Demand in China: A Statistical Factbook* by Jeffrey R. Taylor and Karen A. Hardee provides a detailed overview of recent consumer trends in China. Using more than one hundred tables and graphs, the authors show differences between urban and rural income levels and changes in income distribution, spending patterns, commodity consumption, durable goods ownership, and housing. All data are drawn exclusively from official Chinese sources, and many of the indicators have never appeared in English before. Order *Consumer Demand in China* for $35 from Westview Press, 5500 Central Avenue, Boulder, Colorado 80301.

Another excellent source of information on household expenditure patterns in urban areas and especially in Beijing is *The Structure of China's Domestic Consumption:*

Analyses and Preliminary Forecasts by Li Xuezeng, Yang Shengming, and Juhuang. Mainly based on previously unpublished data, household consumption patterns in China are analyzed, emphasizing changes over time and differences between urban and rural areas and among households at different points of the welfare distribution. The analytical focus is on household consumption and its likely development up to the year 2000. Much of the research for this study was conducted in Beijing. This book is the final product of a cooperative research project conducted by the Chinese Academy of Social Sciences in Beijing and the Development Research Department of The World Bank. Order from The World Bank, 1818 H Street, N.W., Washington, D.C. 20433. Cost: $8.

Another publication from The World Bank, *China: Socialist Economic Development, Volume III The Social Sectors: Population, Health, Nutrition, and Education*, is an excellent source of demographic information on China's urban and rural areas.

Detailed urban statistics including city profiles are found in *China Urban Statistics 1985* compiled by the State Statistical Bureau of the People's Republic of China and jointly published by Longman Group Ltd., London and China Statistical Information and Consultancy Service Center. Order from Gale Research Company, Book Tower, Detroit, Michigan 48226. Another publication distributed by Gale Research is the *Statistical Yearbook of China*, which has extensive tables of statistics for the municipality of Beijing. The *Statistical Yearbook* is a publication of the State Statistical Bureau of the PRC.

A book to look for in 1987 is the forthcoming *China's Changing Population*, by Judith Banister, to be published by Stanford University Press. *International Demographics* will keep you posted. ■

--Denise Rusoff

Special thanks to Judith Banister, Chief of the Center for International Research's China Branch, U.S. Bureau of the Census, and Fred Arnold of the East-West Center's Population Institute for supplying most of the demographic data used in this profile.

INSIDE INFORMATION

Refrigerators top "most wanted" list in Beijing

China. The thought of the pent-up demand of a billion consumers gives shivers of excitement to marketers all over the world.

Statistical studies of China abound. The 1982 census produced a host of articles in English explaining population trends in China.

What is harder to come by, of course, is consumer data. But Survey Research Hongkong (SRH), part of an umbrella of research companies called Survey Research Group that is highly regarded for its work in many Asian countries, is filling some of the gap.

NFO/SRG International Ltd. in the U.S. now has the results of an omnibus survey carried out in January, 1986 by Survey Research Hongkong among consumers in Guangzhou and Beijing. About 1000 consumers were surveyed in each city with the sample weighted to represent the demographic composition of the city. The sample represents 1.6 million people aged 15 and over in the city of Beijing. Demographic, media, and product ownership and intent-to-purchase data are available on a syndicated basis. Other special tabulations are customized according to client need.

Beijing, the capital, has a population of about 9.5 million, with about 1.7 million people employed in more than 4,000 industrial enterprises. It leads China in the production of microcomputers, but also produces a range of other goods from plastics to fabrics, from automobiles to refrigerators.

Guangzhou, the city of flowers, is the largest city in southern China. It has about 7 million people. Guangzhou is a port city and an important distribution center. Its principal industrial products include such consumer goods as bicycles, watches, flashlights, sewing machines, and electrical appliances.

In one part of the omnibus survey, SRH asked about appliance ownership. In both cities television sets were the electrical appliance most often owned in a household. In Guangzhou, 92 percent of respondents said they own a television set, 42 percent of them a color set. In Beijing, 94 percent of respondents own a set, 41 percent color (see chart on cover).

Asked whether there was a likelihood of buying a set in the next 12 months, 3 percent of respondents in Guangzhou said they were "very likely" to buy a set and 8 percent said "quite likely." Seventy-nine percent said they were "very unlikely" to buy a television set, probably because such a large percentage already had a set. In Beijing, 4 percent said they were very likely to buy one, 12 percent quite likely, and 74 percent very unlikely.

While a television was the most popular appliance, two appliances on the "most wanted" list were refrigerators and washing machines. In Guangzhou, 41 percent of respondents owned a refrigerator, and 11 percent said they were likely to buy one in the next 12 months. In Beijing, where 40 percent owned a refrigerator, fully 28 percent said it was very or quite likely that they would buy one within 12 months.

Residents of Beijing were also more likely to anticipate buying a washing machine by the end of 1986. While 60 percent own one, another 19 percent said they were very or quite likely to buy one. In Guangzhou, 59 percent of households have a machine and 13 percent say one is likely in the offing by the end of the year.

New consumer data will be available this summer from SRG. SRG will carry out its fourth China Omnibus in March, 1987. A representative sample of 1000 respondents in each of the Shenyang and Shanghai areas will be interviewed. Guangzhou will be covered in June, along with Chengdu.

Reports and special cross-tabulations from the SRH omnibus surveys of 1985 and 1986 are now available in the United States from NFO/SRG International, Ltd., 50 Lafayette Avenue, N. White Plains, NY 10603: telephone (914) 948-5100. Contact: Jerry Stafford, Managing Director. ■

--Doris Walsh

FEATURE

Dos and don'ts of advertising in China

Anyone returning to China after a few years' absence can see the difference. Billboards now advertise televisions and washing machines instead of Mao's thoughts. Most people own a TV and, as in the West, TV means commercials.

No doubt about it, advertising is taking hold in a country where the majority of people had never seen a commercial ad until Deng Xiaoping opened China's doors in December 1978. Since then, dramatic changes have taken place in China's infant advertising industry. To celebrate its latest developments, the Chinese advertising industry will hold its first major advertising congress in the Great Hall of the People in June 1987.

The Third World Advertising Congress, sponsored by the China National Advertising Association for Foreign Economic Relations and Trade (CNAAFERT) and South magazine, aims to show foreign exporters how the Chinese advertising industry can help in the marketing and promotion of their products in China as well as outlining the type of assistance Chinese exporters are looking for in marketing and promoting their products. (For more information on this congress contact Jack Fogarty, South Publications Ltd, Suite 319, The Helmsley Building, 230 Park Avenue, New York, NY, 10169; telephone (212) 682-8714.) The congress will also provide a wealth of information on China's idiosyncratic and still strictly regulated advertising world.

Here's some tips for advertising in China passed along to us by congress co-sponsor *South* magazine.

☐ *Do remember* that when advertising in different regions and cities it is best to use local advertising corporations in each major center, as the media scene and consumer buying habits, as well as regional buying habits and lifestyles, can vary from one region to another.

☐ *Do give* the media sufficient time to meet your requirements.

☐ *Do allow* for the necessary time to have your advertisement amended in order for it to comply with the various advertising regulations.

☐ *Don't provide* any giveaways without consulting customs.

☐ *Do make* use of all promotional facilities such as direct mail, trade shows, print, and TV.

☐ *When creating* your advertisement, emphasize the performance of the product with, if applicable, full statistics; highlight durability rather than innovation; clearly demonstrate the efficiency of the product or technology; clearly stress the different applications of the product; use straightforward product illustrations--cut-away views in color are preferred; and stress value for money in relation to performance. Avoid word plays.

☐ *Do make* certain that when your company's name is translated into Chinese it has a positive or lucky meaning.

☐ *Do remember* that comparative advertising or claims of latest or newest on the market, or the world's number one brand, have little meaning or effect in China. Even companies like IBM have had to start advertising in China by explaining who they are, so do not expect the local people to know about your product, however world famous it might be.

☐ *Advertising* on Chinese television is not only suitable for the promotion of consumer goods but also for industrial products and corporate advertisers, as shown by the success of Kodak and Boeing in China. When the national airline of China split into five regional carriers, Boeing, which had regularly advertised on television, discovered overnight that it would have to deal with hundreds of extra people throughout China, all of whom knew the name of Boeing thanks to its advertising on Chinese television.

☐ *Do remember* that the radio is also effective and the press or print media are also far more influential than in most other countries.

☐ *Direct mail* enjoys a strong novelty value.

☐ *Do remember* that survey data are usually reliable since Chinese custom dictates that it would be extremely rude to turn someone away at your door and so far the novelty of being asked about consumer behavior has not worn off. ∎

TIPS ON TRENDS

A European version of globalism:
Three trans-European marketing trends converge

Despite the fact that a continuing brouhaha seems to surround Theodore Levitt's call for "globalization," there is rather significant evidence that his plea will be answered shortly--at least in Europe. What we see happening is that three European marketing trends--which were never mutually exclusive--now seem to be coming directly together. And, voila, a European version of "globalism" is the result.

What are these three marketing trends? First there is a growing body of corporate and academic research that focuses on the European consumer, rather than on the country-specific consumer. This type of research requires that the same basic questions (instruments) be employed in each national market and that the results are analyzed and compared across the various country-markets. To be most effective, in fact, this research necessitates the use of a single marketing research organization (or network) with the capability to conduct true cross-European research; e.g., can employ the same methodology/tools, select the same sort of sample, etc. Such firms are now available and are being employed by firms seeking to conduct their product or corporate development efforts on a pan-European basis. For example, 3M has used an independent research firm to conduct a 14-country telephone survey to track the awareness of its Post-It pads for the past four years.

Which brings us to trend number two: the increased efforts by companies to develop pan-European products and/or to establish a single European-wide corporate image. Philips has recently joined such companies as Henkel, Pepsico, Digital Equipment, Xerox, and Guinness in seeking to achieve the latter. The real test for pan-European marketing, however, will come with the development of a product (or product line) that resulted from cross-border marketing research. To illustrate, Ford may have approached such European-wide, product-related marketing research efforts in the consumer studies conducted for its so-called "world car" (Escort in the United States) that was developed in Germany. To date, however, pan-European marketing in practice refers to pan-European promotional efforts and possibly a unified, multi-country distribution system, rather than the four Ps. (Product, Positioning, Price, and Promotion). While the building blocks needed for such product planning/design research are now in place, it appears that the potential for such efforts is only beginning to be exploited.

The third European marketing trend is the rapid increase in the use of satellite television for commercial purposes. When coupled with the wide diffusion of cable television, satellite channels have become a major pan-European promotional tool. The list of U. S. companies currently advertising on The Sky Channel or the Music Box Channel, for example, reads like a who's who of consumer goods producers. As the saturation of cable continues, it appears that satellite television will more than rival print as the pan-European medium. The arrival of this new vehicle as a significant force coincides dramatically with the developments surrounding the other two trends.

How valid do these trends appear to be? During the fall we conducted an extensive survey of European advertising executives. The sample included advertising agency, media, consumer and industrial manufacturing representatives. All were European members of the International Advertising Association. Roughly 16 percent of the 850 sample or more than 130 people participated in the study. Interestingly, a majority of these key executives felt that satellite television would lead to the use of single, European-wide campaigns, but slightly less than half saw this making television the leading European medium. Similarly, support was evident for the need to do "global planning" earlier in the developmental stages of products, but only about one-fifth of the responding executives considered the true "Eurobrand" to be on the horizon. However, 45 percent did feel that there was a strong trend toward some form of globalization.

So what do we conclude from these rather mixed European views regarding the trends? If we keep in mind that much of the current swing toward satellite television, Eurobrands, and trans-border marketing research has come from the United States, these opinions may not be surprising. In fact, due to their ingrained attitudes toward the sovereignty of national markets, it may well be that the Europeans will be the last to follow these trends. As two European-based McKinsey & Co. officials recently concluded, the tendency for European product developers to tailor along national lines may prove to be "... a handicap in global competition...": e.g., effectively competing with United States and Japanese companies on a regional or worldwide level. To sum up, we believe the trends appear to be well under way, but that only a fraction of European executives have accepted them to date. ▮

--John K. Ryans Jr.
--Donald Howard

The authors are professors in the Graduate School of Management and Department of Marketing at Kent State University.

SPECIAL REPORT

Tokyo's Labor Force

Part 2: Worker-household income and spending patterns

The second part of our three-part series on Tokyo's labor force looks at household income and expenditure patterns.

Households in Japan are feeling the ripple effects of the strong yen. With the hard-hit export-oriented companies cutting back on overtime, holding down bonuses, and laying off part-time workers, the incomes of salaried workers in Japan showed little improvement in the first half of 1986. The household income of the average salaried worker in Japan during the first half of 1986 rose only 2 to 3 percent after adjusting for inflation, according to a survey by the government's Management and Coordination Agency.

Although many of Japan's exporters are expected to grant smaller wage rises, things should start to look up a bit for Japan's average consumer due to a further decline in the already low inflation rate, an expected steep drop in consumer prices mirroring the one already noted in wholesale prices, and the benefits of planned tax reform. Businessmen also look to the benefits of cheaper oil coming to the fore in 1987.

THE BONUS SYSTEM AND OVERTIME WAGES

Japanese wages tend to be more sensitive to overall economic conditions than those of other countries, in part due to its unique bonus system and the prevalence of paid overtime work. You can tell a lot about the fortunes of a company by looking at how many quick-dinner soup bowls are piled up outside office doors waiting for local soup-shop pick up at 7 p.m.

Bonuses generally account for about one-fourth of a worker's salary, and are closely tied to the fortunes of an employee's company. They are given twice a year--once in the summer and once in the winter--and average about two months pay apiece. The winter bonus tends to be somewhat larger than the summer bonus. The average summer bonus per worker in Tokyo rose from 406,880 yen in 1979 to 519,476 yen in 1983, while the average winter bonus went from 490,141 to 608,095 over the same period.

Overtime pay also varies with economic ups and downs. Cutting overtime is one way Japanese companies economize on labor costs. Business recoveries usually mean increased overtime wages for salaried workers. Overtime wages in recent years in Tokyo have averaged about

How Tokyo-worker households spend their yen (monthly average)

			Gross expenditure	*Net expenditure*	*Household expenditure*	*Consumption expenditure*	*Food*	*Housing*	*Light, heat and water*	*Furniture and household utensils*	*Clothing*
		Average in									
Actuals (in ¥)		1977	515,400	277,396	239,968	225,720	64,632	14,630	9,131	9,613	18,808
		1978	554,415	299,762	258,554	239,874	66,418	14,646	10,025	9,505	19,531
		1979	571,257	306,257	262,125	248,505	68,546	15,654	10,208	10,158	19,528
		1980	637,052	345,861	296,485	269,866	73,303	17,637	13,186	9,920	20,137
		1981	665,610	351,403	295,472	279,109	74,114	19,529	15,510	11,100	20,334
		1982	708,892	371,110	301,605	291,275	77,146	20,874	16,438	11,295	20,065
		1983	730,376	376,733	304,609	293,661	77,019	20,054	16,933	11,719	20,975
Percent change over year before		*Average in*									
	Nominal	1978	--	8.1	7.7	6.3	2.8	0.1	9.8	-1.1	3.8
		1979	--	2.2	1.4	3.6	3.2	6.9	1.8	6.9	-0.0
		1980	--	12.9	13.1	8.6	6.9	12.7	29.2	-2.3	3.1
		1981	--	1.6	-0.3	3.4	1.1	10.7	17.6	11.9	1.0
		1982	--	5.6	2.1	4.4	4.1	6.9	6.0	1.8	-1.3
		1983	--	1.5	1.0	0.8	-0.2	-3.9	3.0	3.8	4.5
		Average in									
		1978	--	--	--	1.9	-1.0	-6.4	11.5	-2.4	-0.6
		1979	--	--	--	0.1	1.7	0.9	-3.8	5.5	-3.8
		1981	--	--	--	-1.4	-3.7	6.0	8.6	8.1	-2.6
		1982	--	--	--	1.3	1.9	4.3	-0.8	1.0	-4.7
		1983	--	--	--	-1.2	-2.2	-7.1	3.3	4.1	2.2

Note: When converting to $US, note that using the 1983 exchange rate of .42 cents per yen does not take into account the 40 percent rise in the yen against the dollar since that time (about .64 cents per yen in February, 1987).

Source: "Living Standards of People in Tokyo," Bureau of General Affairs, Tokyo Municipal Government

10 percent of a worker's regular, fixed salary, not including bonuses.

Tokyo workers averaged 364,631 yen per month in 1983, of which 264,436 yen was regular salary and 100,196 yen was either bonus payments or retroactive salary increases. About 20,000 yen of a worker's regular salary was overtime pay.

GROWTH IN REAL DISPOSABLE INCOME FLAT SINCE 1973

Before the 1973 oil crisis the real disposable income of a salaried worker's household in Tokyo increased as much as 7 to 8 percent a year. Since 1973, real disposable income has grown only 1.7 percent, to 368,219 yen a month per worker household.

This trend has led to sluggish consumer spending. In 1983, Tokyo worker-households used an average of 293,661 yen per household a month for living expenses--a 1.2 percent decline in real terms over the previous year.

CHANGING SPENDING PATTERNS

Although Tokyo worker households continue to spend the greatest part of their consumption expenditure on food, the proportion spent on food has continually declined since 1973. In 1983, the monthly average expenditure on food was 77,019 yen per household, accounting for 26.2 percent of total household expenditures, down from just over 30 percent in 1973. Expenditures on meat, prepared foods, and eating out were the only categories showing rising expenditure. Consumption on food accounted for 29 percent of total expenditures for those aged 40 to 44, then steadily declined to 23 percent for those aged 55 to 59, rising again to 26 percent for those aged 60 and over.

The proportion of total household expenditures on housing has changed little since1973. Average monthly expenditures for housing showed a slight rise between 1973 and 1983. In 1983, the average monthly housing expenditure was 20,054 yen per household, accounting for 6.8 percent of total consumption. This compares to a 6 percent level in 1973.

The younger the household, the greater the proportion spent on housing. Expenditure on housing accounted for more than 12 percent of total consumption for the under-30 group, thereafter decreasing rapidly with age and bottoming out with those aged 50 to 54 at 5 percent of total expenditures. With homeowners aging and homes needing more repairs, expenditures again climbed for those aged 55 and older.

Car buying, especially by young men, pushed transportation and communication expenses from about 5 percent of total household expenditures in 1973 to 8.6 percent of total household expenditures in 1983. The average monthly transportation and communication expenditure was 25,277 yen per household in 1983. Expenditure on transportation and communication was the heftiest for those under 30, accounting for 11 percent of their total consumption. After bottoming out for those aged 40 to 44, the proportion of total household expenditure on transporta-

(continued)

(continued)

		Average in	*Medical care*	*Transportation and communication*	*Education*	*Culture and entertainment*	*Other consumption expenditure*	*Purchase of land or house*	*Other net expenditure*	*Non-real expenditure*	*Carried forward to next month*
Actuals (in ¥)		1977	6,072	15,494	9,487	19,027	58,826	14,248	37,428	153,005	84,999
		1978	6,607	16,577	10,622	20,591	65,352	18,680	41,208	165,200	89,453
		1979	6,296	17,551	11,810	22,183	66,571	13,620	44,132	171,415	93,585
		1980	7,023	19,923	12,998	23,926	71,813	26,619	49,376	196,762	94,429
		1981	6,655	24,035	13,281	24,520	70,031	16,363	55,931	220,375	93,833
		1982	6,996	23,801	14,658	26,118	73,883	10,330	69,505	239,322	98,460
		1983	7,438	25,277	14,897	27,909	71,442	10,948	72,124	257,233	96,411
		Average in									
Percent change over year before	**Nominal**	1979	-4.7	5.9	11.2	7.7	1.9	-27.1	7.1	3.8	--
		1980	11.5	13.5	10.1	7.9	7.9	95.4	11.9	14.8	--
		1981	-5.2	20.6	2.2	2.5	-2.5	-38.5	13.3	12.0	--
		1982	5.1	-1.0	10.4	6.5	5.5	-36.9	24.3	8.6	--
		1983	6.3	6.2	1.6	6.9	-3.3	6.0	3.8	7.5	--
		Average in									
	Real	1978	-1.6	4.4	-0.7	3.8	--	--	--	--	--
		1979	-8.4	0.1	1.4	4.5	--	--	--	--	--
		1980	9.6	8.3	0.6	0.5	--	--	--	--	--
		1981	-7.6	16.1	-5.1	-2.2	--	--	--	--	--
		1982	2.8	-6.3	3.9	4.4	--	--	--	--	--
		1983	4.8	6.9	-3.3	3.8	--	--	--	--	--

Source: "Living Standards of People in Tokyo," Bureau of General Affairs, Tokyo Municipal Government tion and communication again rose. For those aged 30 to 39, automotive expenses alone accounted for nearly 5 percent of consumption.

Education too is taking more and more of the household budget, rising from an average of 3.3 percent of total household expenditure in 1973 to 5.1 percent in 1983. In 1983, the average Tokyo worker household spent 14,894 per month on education. The average monthly education expenditure of the 45 to 49 age group topped all other age groups at 38,902 yen per household, accounting for as much as 11.6 percent of total consumption due to the expense of sending children to college. The average expenditure for 1981 to 1983 was 9.7 percent of total consumption each year.

Other consumption expenditures accounted for 24.3 percent of total consumption in 1983. ▮

GIVE US A CALL

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Regular subscribers are always invited to call International Demographics with questions about demographic data. In many cases, we have data on our shelves that we have been unable to print because of a lack of space. We are always willing to try to help you find what you need. Our offices are open from 9 a.m. to 5 p.m. Eastern time. Call Denise Rusoff or Doris Walsh at (607) 273-6343. ▮

OF INTEREST

Hold this date: June 4th

Foreign consumer data and the use of foreign demographics to make marketing decisions abroad will be the focus of an afternoon session on June 4 at the 7th Annual Demographic Outlook Conference, sponsored by the American Demographics Institute on June 4 and 5 at the New York Hilton.

Featured speaker will be Barbara Torrey, chief of the Center for International Research at the U. S. Census Bureau, and an economist formerly with the Office of Management and Budget. Ms. Torrey will talk about consumer expenditure surveys that are now available from many foreign nations, and Census Bureau plans to analyze the data and make them available. A user from a consumer goods company will discuss how his company uses demographic data to make decisions about market entry overseas.

People interested only in the international aspects of demographic data can register for just the June 4 session which will be held from noon until 4:30 p.m. Participants are also invited to attend a vendors' exhibit and wine and cheese reception from 4:30 to 6:30 p.m. Those who register for the full two-day program can choose the international session as one of their concurrent sessions.

More information will be sent to all International Demographics subscribers. ▮

COMING UP

The Seoul Metropolitan Area--Satellite cities take off

Labor in Tokyo--The final part in this 3-part series looks at retired-worker income and spending patterns

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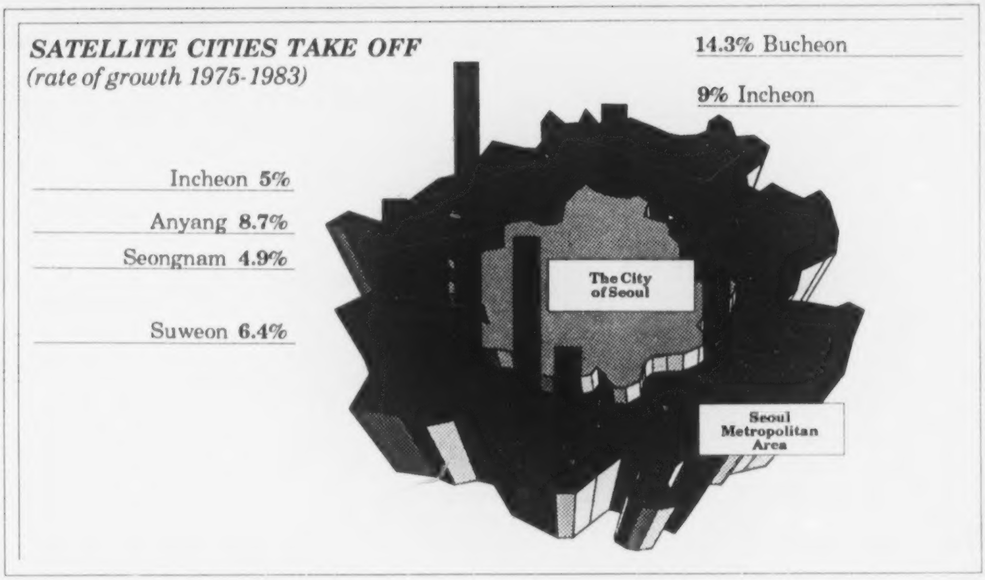
Consumer markets abroad

IN DEPTH/SEOUL P. 1 RANKINGS P. 9 INSIDE INFORMATION P. 10 WHAT THE NUMBERS MEAN P. 11 SPECIAL REPORT ON TOKYO P. 12 REGIONS P. 14 PUBLICATIONS P. 16

in depth

SEOUL: KOREA'S HIGH-TECH HOTBED



SATELLITE CITIES TAKE OFF
(rate of growth 1975-1983)

Between 1980 and 1983, suburban districts grew at an average annual rate of 5.9 percent, as compared to 3.2 percent for Seoul proper.

Take a look at our new format and style! The new design highlights trends and makes charts and tables easier to read. Note our new columns, "What the Numbers Mean" and "Rankings."

Seoul is in the throes of change--in the way its people live, in the jobs they do, and in the makeup of its populace. The national vortex of money, power, commerce, information, and population, Seoul is at the forefront of Korea's push to move from a dependence on basic industries and conventional manufacturing to high technology industries. Business leaders and government officials have high hopes of building a Korean economy based on the government-targeted emerging technologies of microelectronics, telecommunications, pharmaceuticals, and new materials.

Seoul has all of the basics necessary to drive Korea's economic transition. The city of Seoul proper houses one out of every four Koreans. In 1983, 9.2 million people lived in the city. Nearly 30 percent of all Koreans--over 12 million people--lived in the Seoul Metropolitan Area, which includes the city of Seoul and its outlying suburban districts.

Home to 95 of Korea's 100 largest trading companies and 42 of the 46 family-based industrial conglomerates including Korea's five giant business conglomerates--the *chaebols* of Daewoo, Hyundai, Lucky-Goldstar, Samsung, and Sunkyong--Seoul controls Korean commerce. The city's Central Business District also houses Korea's major colleges and uni-

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 6 NUMBER 4 APRIL 1987

versities, primary government offices, largest financial institutions, insurance firms, the stock exchange, and the media.

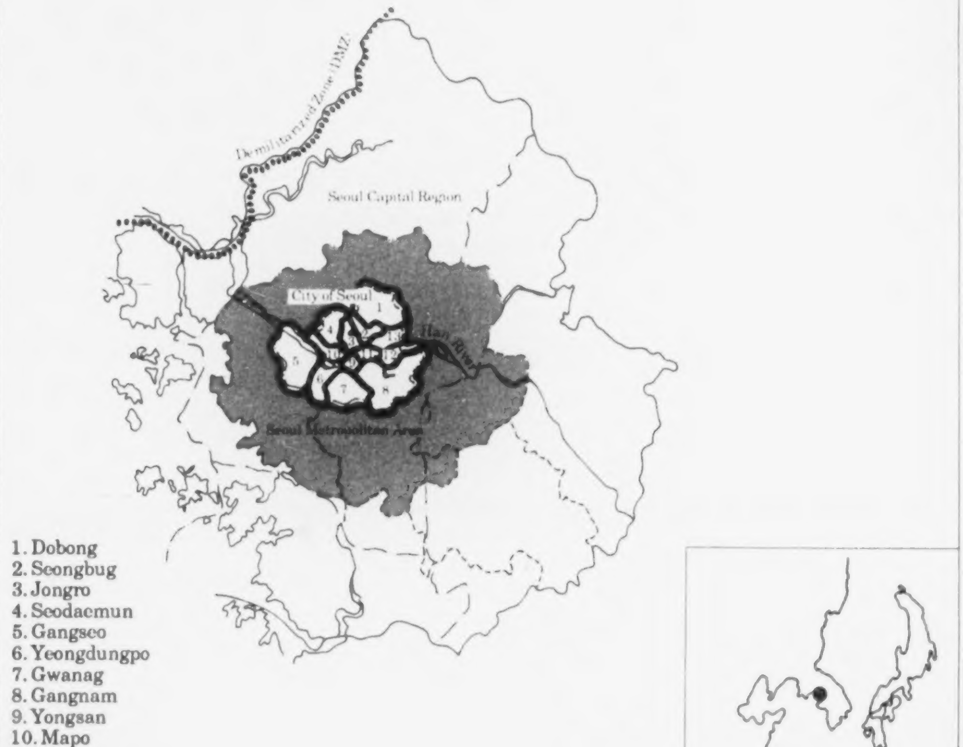
Seoul also boasts a low-cost, hard-working labor force that is increasingly well trained and flexible--the two ingredients for producing the kind of worker needed to fuel high-tech industries. Seoul workers increasingly don white collars, entering administrative and managerial, professional and technical, and service jobs at faster rates than any other type of employment. Employment opportunities have kept pace with Seoul's rapidly growing labor supply resulting in low unemployment by developing country standards.

RISING STANDARDS OF LIVING

After a devastating war, Korea's 1962 per capita GNP was a mere $80. Now per capita GNP is $2300. Although only about one-eighth of U.S. GNP per capita, Korea's current GNP says a lot about the achievements a remarkably buoyant people made in a mere three decades. Only 12.3 percent of Koreans now live below the poverty line, down from nearly 41 percent in 1962.

What's more, although true Korean democracy is still down the road apiece, a more equal distribution of income is well on

THE CITY OF SEOUL AND ENVIRONS



1. Dobong
2. Seongbug
3. Jongro
4. Seodaemun
5. Gangseo
6. Yeongdungpo
7. Gwanag
8. Gangnam
9. Yongsan
10. Mapo
11. Jung
12. Seongdong
13. Dongdaemun

The city of Seoul lies at the heart of the Seoul Metropolitan Area and the broader Seoul Capital Region.

*C*onsumer markets abroad

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its way. The income share of the bottom 40 percent of households rose from 15.4 percent in 1978 to 17.5 percent in 1986.

Seoul has played a dominant role in Korea's rising fortune, driving Korea's export-led economy by rapidly developing a diversified manufacturing base and acting as its financial, academic, and governmental nerve center. By 1977, Seoul accounted for 30.5 percent of Korea's GNP, up from 17.3 percent in 1963. And real per capita income in Seoul rose from a dismal $87 in 1962 to nearly $2000 in 1985.

One of Asia's most up-and-coming metropolises, Seoul is refreshingly void of the absolute poverty, vast slums, and underemployment so characteristic of developing-country megacities. Privately built residential high-rise apartment complexes have helped ease Seoul's acute housing shortage, while municipal public works projects have produced a well-functioning infrastructure that supports Seoul's high standards of public health. Housing still remains a problem, however, with as much as 40 percent of city households doubled or tripled up in a single housing unit.

Seoul's well-developed health care infrastructure accounts for the city's low mortality rates from preventable diseases. Traditional Korean reverence for knowledge in

Seoul workers increasingly don white collars, entering administrative and managerial, professional and technical, and service jobs at faster rates than any other type of employment.

Real per capita income in Seoul rose from a dismal $87 in 1962 to nearly $2000 in 1985.

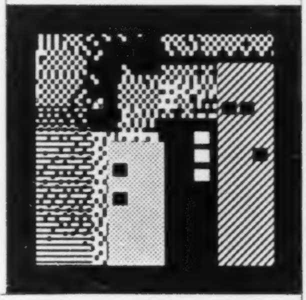
GROWTH OF SATELLITE CITIES AND SUBURBAN DISTRICTS OUTPACES CITY PROPER

Population size and rate of growth of Seoul Capital Region, 1966-83

Cities and districts	*Population (thousands)*					*Annual growth rate (%)*			
	1966	*1970*	*1975*	*1980*	*1983*	*1966-1970*	*1970-1975*	*1975-1980*	*1980-1983*
1. **Seoul**	3,793	5,525	6,879	8,351	9,204	9.4	4.4	3.9	3.2
CBD	386	346	619	535	501	-2.8	12.3	-2.9	-1.6
Ring	3,407	5,179	6,260	7,816	8,703	11.0	3.9	4.5	3.6
2. **Suburban districts**	1,333	1717	2,335	3,230	3,860	6.3	6.1	6.5	5.9
Incheon	526	643	797	1,082	1,220	5.0	4.3	6.1	4.0
Suweon	128	170	224	310	374	7.1	5.5	6.5	6.3
Seongnam	30 [a]	61 [a]	272	377	417	17.7	29.9	6.5	3.4
Euijeongbu	75	94	108	133	145	5.8	2.8	4.1	2.9
Anyang	54 [a]	91 [a]	135	253	292	12.9	7.8	12.6	4.8
Bucheon	41 [a]	56 [a]	109	221	340	8.0	13.2	14.2	14.4
Namyangju	99 [a]	124 [a]	153 [a]	191	210	5.6	4.2	4.4	3.2
Sihung	128	186	207	289	449	9.3	2.1	6.7	14.7
Goyang	94	133	143	156	165	8.8	1.4	1.7	1.9
Kwangju	73	81	95	107	142	2.6	3.2	2.2	9.4
Gimpo	85	78	92	97	106	-2.1	3.2	1.1	3.0
3. **SMA** (1 + 2)	5,126	7,242	4,214	11,581	13,064	9.0	4.9	4.7	4.1
4. **Outlying Kyonggi Area**	1,769	1,637	1,700	1,700	1,718	-1.9	0.8	0.0	0.4
5. **Capital Region** (3 + 4)	6,895	8,879	10,914	13,281	14,782	6.3	4.1	3.9	3.5

[a] Estimated population based on the current administrative boundary.

Source: Jin Ho, Choi and Tae-Il Lee, "Attributes of metropolitan suburbanization in Seoul Capital Region and their policy implications," paper presented at the Korea / United States Seminar on Urban / Regional / Transportation Development Planning and Environmental Management, Seoul, August 18-24, 1985.



The completion of two commuter rail lines in 1974 accelerated the movement of people out of the city and into surburban areas, concentrating urban growth along the railway corridors.

conjunction with a well-developed school system has produced a highly literate populace and a skilled workforce.

ANATOMY OF A BURGEONING REGION

The city of Seoul lies at the heart of the Seoul Capital Region (population, 14.7 million), an 11,697 square kilometer area that stretches across the west central part of the Korean peninsula and butts up against the Demilitarized Zone (DMZ) on the north. Seoul's too-close-for-comfort location near the DMZ, in conjunction with the city's concentration of the nation's population and economic activity, have given government planners a unique impetus to experiment with strategies of metropolitan development.

During the late 1960s the city grew at the rapid average rate of 9 percent annually as rural Koreans looked for jobs in the city's quickly developing economy. To discourage the further concentration of population and economic activity in the Capital Region and particularly in the city of Seoul proper, the Korean government established a green belt in 1970 around the city's periphery.

The establishment of the green belt effectively halted horizontal growth along the Han River, forcing the surging population growth of the city to push south of the Han River and into such satellite cities as Incheon, Suweon, Seongnam, Eiujeongbu, Anyang, and Bucheon--all of which have grown at annual average rates of 6 percent since the 1960s. It also greatly slowed the population growth rate of the city of Seoul, with growth rates in the 1970s dropping below national urban averages. The annual average growth rate for the period 1970 to 1975 was 4.4 percent, down from 9.4 percent annually between 1966 and 1970. By the early 1980s, the city's growth rate was down to 3.2 percent annually.

After the green belt was established, land shortages north of the Han River made developers look south. New housing in high-rise developments south of the river in conjunction with a newly developing secondary Central Business District on Yoido Island and in Gangnam Ward combined to push the south's share of the city proper's population from 23 percent of the total population in 1973 to almost 44 percent of the total population in 1983.

The completion of two commuter rail lines in 1974 accelerated the movement of people out of the city and into surburban areas, concentrating urban growth along the railway corridors. The satellite cities of Bucheon (1980 population, 195,700) and Incheon (1980 population, 1 million) sprang up along the Seoul/Incheon railway corridor, while the cities of Anyang (1980 population, 216,000) and Suweon (1980 population, 290,300) developed along the Seoul/Suweon railway corridor. Satellite city growth quickly outpaced that of the city of Seoul. Between 1980 and 1983, suburban districts grew at an average annual rate of 5.9 percent, as compared to 3.2 percent annual growth for the city proper. New industrial cities such as Banweol and bedroom communities such as Gwacheon are in the works, with planned populations of 200,000 people and 63,000 people, respectively (see map on page 10).

But, for now, the city of Seoul still dominates the Capital Region, with its 627 square kilometers alone housing over 60 percent of the Seoul Capital Region's population and 70 percent of the population of the Seoul Metropolitan Area--the area made up of the city of Seoul and its outlying suburban districts. Seoul's Central Business District (CBD), made up of Jung and Jongro Wards, is the city's central core. In 1976, the CBD monopolized 74 percent of all governmental institutions in the Seoul Metropolitan Area, 73 percent of all public enterprises, 88 percent of the mass media, and 94 percent of all financial institutions. It is also the SMA's foremost tourist and shopping area, with 77 percent of the SMA's tourist hotels, 84 percent of its department stores, and 51 percent of its shopping arcades. Its residential population has almost halved since 1960, dropping from 15 percent of the city's total population in 1960 to only 9 percent of the total population in 1980.

Population densities in the city's central wards make Seoul one of the world's most densely populated cities. Wards that lie to the north of the Han River are more densely populated than those to the south, although the southern wards of Dongjag, Gwanag, Yeondeungpo, and Guro have population densities higher than the city average of 147 persons per hectare. The average population density of the northern wards was 185 persons per hectare, as compared with 151 persons per hectare for the southern wards. Dongdaemun, which lies to the northeast, has the highest population density of any city ward--292 persons per hectare.

The Seoul Capital Region, which includes the Seoul Metropolitan Area and the outlying Kyonggi Area, is bounded on the north by the DMZ, on the south by the estuary of the Anseong River, on the east by mountain ridges, and on the west by the North China Sea.

SEOUL TO BE THE WORLD'S EIGHTH LARGEST CITY BY THE YEAR 2000

Experts differ as to the future of Seoul's growth and its continued dominance over national life. Some see Seoul's primacy on the wane as interregional income and growth disparities converge and Seoul's share of national manufacturing output falls due to the development of large-scale industry in the south of Korea. Others point to the continued healthy growth of the Seoul Metropolitan Area and the upward momentum of employment in the city of Seoul as manufacturing employment gives way increasingly to high-tech, R&D, and business sector jobs.

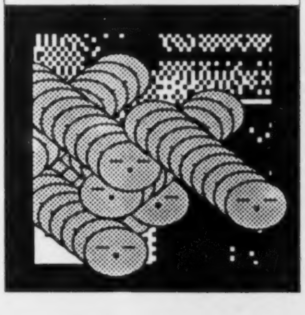
But, no doubt, Seoul will continue to grow, although at slower rates than in the past. The Ministry of Construction predicts that the city of Seoul will grow to a maximum of 10.2 million by 2001, with the capital region growing only to about 18 million. The Korea Institute of Population and Health projects a population for the Seoul Metropolitan Area in the range of 11.3 million to 14 million by the year 2000. The U.N. predicts Seoul's population will reach 13.7 million by the year 2000, making it the world's eighth largest urban agglomeration.

FEWER CHILDREN PER WOMAN AND SMALLER HOUSEHOLDS

Although Seoul's population makeup is young--27.9 percent of the population was under age 15 in 1983--it is becoming increasingly dominated by those of working age. Most recent in-migrants are unmarried young adults looking for jobs or a better education. This trend in conjunction with fewer children being born per woman--down from 3.9 births per woman in 1961 to 3.4 births per woman in 1980--has led to an increasing

Population densities in the city's central wards make Seoul one of the world's most densely populated cities.

Most recent in-migrants to Seoul are unmarried young adults looking for jobs or a better education.



Rental housing is on the upswing.

40 percent of households in the city are doubled and tripled up.

There is high residential mobility.

Housing construction standards are on the way up.

Household size is declining.

The number of persons per room is on the decline.

share of those between the ages of 25 and 59. The working population--aged 15 to 59--accounted for 67.4 percent of the population in 1983, up from 65.1 percent in 1975.

The proportion of those aged under 15 dropped from 31.2 percent of the total population in 1975 to 27.9 percent of the total population in 1983, while those aged 60 and over increased from 3.7 percent of the total population to 4.6 percent of the total population in 1983.

Two trends combine to lower total household size--fewer births per couple and the rise of nuclear families as high-rise apartment living allows more young couples to live apart from their parents. Before the establishment of the green belt in 1970, Seoul residents lived almost exclusively in family-owned, detached residences. Once the green belt pushed urban development to the city wards south of the Han River, more and more households found quarters in newly built, high-rise complexes. Between 1968 and 1978, 120,000 high-rise apartment complexes were built. But even in 1980, however, about 75 percent of all housing units in the city of Seoul were detached houses.

A HIGHLY MOBILE POPULATION

Seoul is essentially a city of migrants. More than half of the city's growth since 1960 is attributable to in-migration. Between the mid-1960s and mid-1970s, a half million Koreans a year found homes and jobs in Seoul. In-migration began to slow, however, in the late 1970s. Between 1978 and 1983, about 953,000 people moved to Seoul from rural areas and another 621,000 people from other urban areas.

Although slowed, the continued growth of the city of Seoul still comes mainly from in-migrants from outside Kyonggi Province. Of the 83,500 households that moved to Seoul during 1979 to 1980, 63 percent came from outside the Capital Area. Those moving in from the suburbs accounted for about 21 percent of total in-migrants, while 11 percent came from the outer Kyonggi Area. (Total may not add up to 100 due to rounding.)

In contrast, growth of the suburban areas is largely due to the outflux from the city of Seoul. During 1979 to 1980, about 54 percent of newcomers came from the city of Seoul. Those leaving Seoul for the suburbs are mainly young families forced out by Seoul's high housing costs. Many continue to work in the central city.

Why all this shifting about? In-migrants from outside the Capital Area come mainly for jobs. Two-thirds of those who moved to Seoul in 1984 did so to obtain employment, while one-seventh were students seeking better educational opportunities. For residents of the Seoul Metropolitan Area, moving is a way of life as up-and-comers hop from starter homes and apartments to better-quality dwellings and young households leave Seoul to escape high housing costs.

With 1.1 million housing units in 1983, Seoul had about one unit for every 1.8 households. This leaves about 600,000 of Seoul households--or roughly 40 percent of all city households--doubled or tripled up. Those that own their own homes--about 54 percent of households in the city of Seoul--move on average every 3.7 years. Renters move even more often, about every 2.1 years if they are renting the entire dwelling and between 1.6 and 2.2 years if they are renting only part of the dwelling unit.

MORE WHITE-COLLAR JOBS

The Koreans say they are harder workers than the Japanese. One look around Seoul confirms that the work ethic is indeed alive and kicking. With low unemployment by developing country standards, the city has high labor force participation rates. In 1983, 70 percent of men and 25 percent of women worked. And, although the city lost 80,000 manufacturing jobs between 1981 and 1983 when more than 1,500 manufacturing firms moved out of the city, employment growth during this same period registered 11.3 percent.

What took up the slack? During this same period, administrative and managerial jobs rose by 77.4 percent, professional and technical jobs by 34.6 percent, and service jobs by 24.7 percent. Even manufacturing employment grew by 8.9 percent. Growth in clerical jobs and sales jobs lagged behind, rising only by 8.3 percent and 3.7 percent, respectively.

Seoul is increasingly concentrating the national share of white-collar jobs. By 1980, Seoul accounted for about 40 percent of the nation's total white-collar employment, up from 37 percent in 1970.

The city's share of manufacturing employment relative to the Seoul Metropolitan Area dropped from 70.6 percent in 1973 to 47.1 percent in 1981 as manufacturing firms moved to satellite cities and the Kyonggi Area. During the same period, satellite city manufacturing employment rose from 22 percent of total manufacturing employment in the Seoul Metropolitan Area to 35 percent of the total. Kyonggi's share increased from 7.2 percent of total manufacturing employment to 18.2 percent of the total.

With low unemployment by developing country standards, the city has high labor force participation rates.

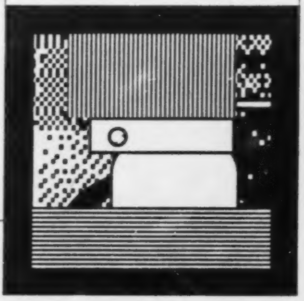
WHERE THEY LIVE AND WORK

Distribution of population and economic activities, by ward, 1983

Ward	*Population*	*Density (population / hectare)*		*Registered manufact. employment*	*Employment density (per km²)*	*Private stores*	*Banks*	*Restaurants and tearooms*	*Construction (in billions of won)*
		1978	*1983*						
North									
Jongro	276.9	130	115	5,422	225	5,243	96	3,797	7,620
Jung	224.5	258	223	10,126	1,003	17,695	184	5,230	5,034
Yongsan	334.8	161	157	9,142	427	1,137	38	2,260	2,730
Seongdong	737.5	162	181	60,204	1,476	1,639	56	3,049	6,244
Dongdaemun	914.1	253	292	19,301	617	3,988	58	3,297	5,987
Seongbug	589.4	239	237	8,507	343	1,900	37	1,706	6,720
Dobong	813.0	86	99	21,439	262	2,965	34	1,901	9,564
Eunpyeong	422.2	113	129	4,799	146	1,122	24	1,342	7,886
Seodaemun	422.7	223	236	2,569	144	1,272	29	2,333	4,059
Mapo	439.2	183	184	7,458	313	1,027	33	1,369	4,882
South									
Gangseo	634.8	41	105	34,348	571	2,053	38	2,308	18,006
Guro	629.7	--	160	137,534	3,491	1,247	33	2,735	14,202
Yeongdeungpo	446.2	142	162	59,960	2,172	2,806	58	3,231	11,373
Dongjag	400.3	--	239	7,590	452	791	22	1,615	15,669
Gwanag	539.8	176	196	2,501	91	1,790	24	2,226	7,155
Gangnam	651.7	68	75	2,724	31	10,723	112	4,161	16,076
Gangdong	727.5	--	121	11,589	193	4,150	53	2,535	19,872
	9,204.3	139	147	405,213	646	61,548	928	44,995	163,080

Source: Seoul Metropolitan Government, Seoul Statistical Yearbook (1984).

Wards that lie to the north of the Han River are more densely populated than those to the south. Dongjag, Gwanag, Yeondeungpo, and Guro, however, have higher population densities than the city average.



Although the trend is toward rising white-collar employment, Seoul is still a blue-collar town. Of its 2.5 million workers in 1980, seven out of ten still worked blue-collar jobs. Most of Seoul's white-collar workers in the retail trade and in offices work in the wards north of the Han River, especially in Jung and Jongro Wards, and in

MORE SEOUL WORKERS WEAR WHITE COLLARS
Total number employed and growth rate by occupational category in Seoul, 1966-1980

Occupational category	*1966*	*1970*	*1975*	*1980*	*Average annual growth rate (1966-1980)*
Office-related					
number	203,740	381,378	527,805	764,471	
percentage	23.1	23.5	24.8	29.9	9.4
Professional/technical					
number	52,610	97,876	132,944	198,478	
percentage	5.9	6.0	6.2	7.7	9.5
Administrative/managerial					
number	29,600	46,537	51,095	80,986	
percentage	3.3	2.9	2.4	3.2	7.2
Clerical/related					
number	121,530	236,965	343,766	485,007	
percentage	13.7	14.6	16.2	19.0	9.9
Other					
number	679,770	1,240,310	1,597,040	1,794,036	
percentage	76.9	76.5	75.2	70.1	7.2
Sales					
number	198,720	334,465	428,564	541,879	
percentage	22.5	20.6	20.2	21.2	7.2
Services					
number	120,450	230,601	245,638	291,474	
percentage	13.6	14.2	11.6	11.4	6.3
Production/related (manufacturing)					
number	335,870	621,357	864,389	937,949	
percentage	38.0	38.3	40.7	36.7	7.3
Agriculture/fishery/forestry					
number	24,520	31,068	42,347	22,574	
percentage	2.8	1.9	2.0	0.9	-0.6
Unclassified					
number	210	22,818	16,102	160	
percentage	0.0	1.4	0.7	0.0	0.0
Total					
number	883,510	1,621,688	2,124,845	2,558,507	
percentage	100.0	100.0	100.0	100.0	7.6

Source: Jeong-Sik, Lee, "The impact of office employment on urban growth: the case of Seoul," paper presented at the Korea / United States Seminar on Urban / Regional / Transportation Development Planning and Environmental Management, Seoul, August 18-24, 1985.

Growth in office-related employment outstripped that of all other occupational categories between 1966 and 1980.

***B*y 1980, Seoul accounted for about 40 percent of the nation's total white-collar employment, up from 37 percent in 1970.**

Gangnam Ward--Seoul's second major business district--which lies to the south of the river. Sixty-four percent of the over 400,000 blue-collar workers in manufacturing in 1980 worked in the southern wards of Guro and Yeongdeungpo and the northern ward of Seongdong.

SEOUL'S SUPERIOR EDUCATION SYSTEM ATTRACTS IN-MIGRANTS

Seoul's educational system is so highly regarded in Korea that families move to Seoul just to enroll their children. Seoul's superior education system so attracted regional in-migrants looking for a better education for their children that the government imposed higher school fees for schools within the city of Seoul, restricted the further building of middle and high schools north of the Han River, and began a sustained policy of equalizing education throughout the country.

The city boasts almost universal literacy and places much emphasis on educating the populace. The city's 365 primary schools have an average class size of 58; its 243 middle schools, an average class size of 69. Of Seoul's 180 high schools--average class size of 64--80 percent are private.

Even though paying for secondary and higher education puts a crimp in the average household's budget, the number of students enrolled in Seoul's 36 colleges and universities doubled between 1977 and 1983. Graduate school enrollees tripled during that same period from 13,000 students to 40,500 students.

Korean spending patterns are influenced greatly by the Korean penchant for higher education. After the average monthly wage of $325 is portioned out for necessities, the rest is often invested in education as only primary schooling is provided free of charge. With 80 percent of Koreans of secondary school age enrolled in secondary education, this trend is pervasive.

SOURCES

Most of the information in this profile comes from *Population Growth and Policies in Mega-cities: Seoul*, published by the United Nations in 1986. Part of a series of studies prepared by the Population Division of the Department of International Economic and Social Affairs of the United Nations Secretariat, this report gives not only copious information about Seoul's demographic picture, but provides data and analysis of the latest surveys taken in the city of Seoul. Obtain from United Nations Publications, Room DC2-0853, New York, NY, 10017; telephone (212) 754-7402.

Another excellent volume chock full of data on Seoul is the *Seoul Statistical Yearbook,* published by the Korean National Bureau of Statistics.

For an overview of how Seoul fits into the developing-country, metropolitan-growth picture, refer to *Migration, Population Growth and Employment in Metropolitan Areas of Selected Developing Countries,* published in 1985 by the United Nations. Obtain from address given above.

--Denise Rusoff

rankings

WORLD METRO AREAS--WHERE DOES SEOUL FIT IN?

Largest urban agglomerations by population size (in millions), according to the U. N.

in 1985

1.	Tokyo/Yokohama, Japan	18.8
2.	Mexico City, Mexico	17.3
3.	Sao Paulo, Brazil	15.9
4.	New York/Northeastern New Jersey, USA	15.6
5.	Shanghai, China	12.0
6.	Calcutta, India	11.0
7.	Greater Buenos Aires, Argentina	10.9
8.	Rio de Janeiro, Brazil	10.4
9.	London, United Kingdom	10.4
10.	**Seoul, Republic of Korea**	**10.3**

in 2000

1.	Mexico City, Mexico	25.8
2.	Sao Paulo, Brazil	24.0
3.	Tokyo/Yokohama, Japan	20.2
4.	Calcutta, India	16.6
5.	Greater Bombay, India	16.0
6.	New York/Northeastern New Jersey, USA	15.8
7.	Shanghai, China	14.3
8.	**Seoul, Republic of Korea**	**13.7**
9.	Rio de Janeiro, Brazil	13.3
10.	Delhi, India	13.3

NEW GROWTH TO PUSH SOUTH OF SEOUL METRO AREA

When it comes to metropolitan management programs, Seoul's city fathers have tried them all--spatial distribution policies, land-use plans, and industrial location policies. Persistent in its efforts to reduce Seoul's primacy by decentralizin Seoul's concentration of population and economic activity, the Korean government has effectively slowed the cit's growth and shifted population out of the city and into the peripheral areas of the Seoul Metropolitan Area (SMA).

But what will the future bring? Further growth is inevitable, but where will it occur?

So far, new growth has concentrated in the satellite cities, the majority of which lie to the south of the Han River. Most recently, however, the government divided the Capital Region (the city of Seoul, its suburban districts and the surrounding Kyonggi Area) into five improvement regions.

The 1982 Growth Management Planning Law for the Capital Region aims to develop the southern part of the Capital Region (especially the southeastern part). This area would then absorb Seoul-bound immigrants and accommodate industry. Plans are to construct a second international airport and an expressway along the western coast.

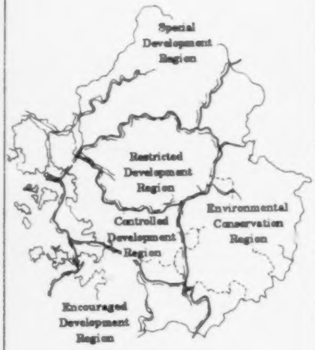
Specifically, no further growth of industry is to be allowed in the restricted development sub-region, or central Seoul. Polluting industries are to be relocated, further urban renewal undertaken, expansion of colleges and universities checked, and cleared land made into parks and green spaces.

Controls on development will also be tightened in the suburban areas south of Seoul--the controlled development region--to prevent urban sprawl. Limits are placed on new factory construction, and the cities of Incheon and Suweon are to absorb urban functions formerly performed by Seoul.

The southern part of the outer ring of the Capital Region is where the action will take place. The encouraged development sub-region will house small and medium-sized industries forced to relocate outside of Seoul. The cities of Balan, Pyeongteg, and Anjung are to accommodate these outcast industries, as well as provide homes for newcomers looking for work in the Seoul Metropolitan Area. Large-scale factories, however, will be relocated outside of the Capital Area.

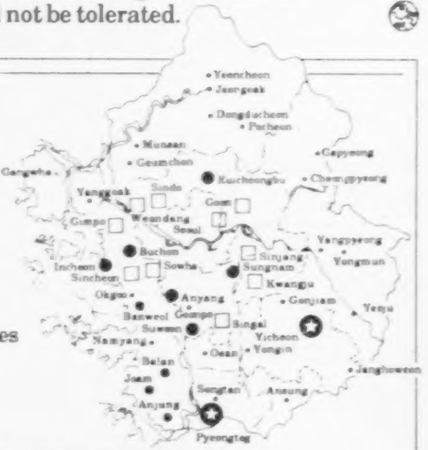
The 1982 law looks far into the future of the Seoul area by reserving open space and developing water resources for times still to come. The environmental protection sub-region is protected from industrial development as well as the construction of large-scale housing projects. Some farming activities are to be permitted. Recreational and leisure facilities are to be built in the southeastern part of this sub-region, around the garden towns of Uchon, Kojiam, and Yongin.

Seoul's northern sub-region--the special development sub-region--will be reserved for national defense purposes. Seoul lies uncomfortably close to the DMZ and within artillery range of North Korean forces. While some agro-business is to be permitted, urban development of any sort will not be tolerated.


Special Development Region
Restricted Development Region
Environmental Conservation Region
Controlled Development Region
Encouraged Development Region

SEOUL'S SOUTHERN CITIES SHOW BIGGEST GROWTH POTENTIAL

Planned urban development in Seoul Capital Region


Yeoncheon
Jeongok
Dongducheon
Pocheon
Munsan
Geumchon
Gapyeong
Gangwha
Kucheongbu
Cheongpyeong
Yanggok
Sindo
Goan
Gimpo
Weondang
Seoul
Yangpyeong
Buchon
Sinjang
Yongmun
Incheon
Sowha
Sungnam
Sincheon
Kwangju
Ojigeo
Anyang
Gonjiam
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Banweol
Geumpo
Singal
Suweon
Yicheon
Namyang
Osan
Yongin
Balan
Janghoweon
Joam
Songtan
Ansung
Anjung
Pyeongteg

● existing satellite cities
✪ growth poles--secondary cities
• new industrial cities
· existing townships
☐ bed towns

Source: Population Growth c... Policies in Mega-Cities: Secul, 1986, United Nations, New York.
Source for maps: Planning Maps of Seoul, (1980), Korea Planners Association and the City of Seoul.

what the numbers mean

THE "ANNUAL GROWTH RATE"

Seoul's average annual growth rate of 6.8 percent between 1950 and 1980 made it one of Asia's fastest growing cities. It beat out such thriving metropolises as Bangkok (3.8 percent), Hong Kong (4.4 percent), Jakarta (4.5 percent), Manila (4 percent), and Singapore (2.6 percent). But, how fast is a 6.8 percent average annual growth rate over 30 years and what does it really mean?

To put it simply, experiencing such a high rate of growth in an agglomeration of Seoul's size on such a sustained basis is nothing short of phenomenal. Of major metropolises worldwide, only Brazil's Belo Horizonte (6.9 percent) grew faster over the same period. Developing-country cities are increasing in population at about 3.8 percent a year on average.

But what makes Seoul particularly stand out from among the crowd of fast-growing metropolises is its ability to handle the stresses rapid growth places on the job market and such city services as housing, transportation, sanitation, and fire protection. The vast slums and rampant underemployment of such developing-country cities as Jakarta (4.5 percent average annual growth rate between 1950 and 1980) and Mexico City (5.4 percent annually over same period) are nowhere to be seen in Seoul. Seoul's achievements in finding jobs for and housing its millions are even more remarkable in light of the fact that most of Seoul's growth came from in-migration, not natural increase.

Many factors made the difference for Seoul. The outstanding performance of the Korean economy generated enough new jobs to keep up Seoul's burgeoning labor supply. Government municipal planning also helped. Recognizing the need to deal with not only natural increase through family planning programs but also with in-migration as a major component of growth, the national government early on began strong population redistribution programs. Korea's relatively small size and homogeneous society contributed much to Seoul's successful housing of immigrants even though suffering from severe housing shortages. About 30 percent of immigrants to Seoul polled in a 1983 survey said they had received assistance from relatives in obtaining housing, as well as other kinds of assistance.

THE BIG TEN--HOW FAST ARE THEY GROWING?

The 10 largest urban agglomerations and projected average annual rates of growth, 1985-2000

Rank in 1985	*Urban agglomeration*	*Average rate of growth (percentage per year) 1985-2000*	*Population (millions)*	
			1985	*2000*
1	Tokyo/Yokohama, Japan	0.48	18.82	20.22
2	Mexico City, Mexico	2.67	17.30	25.82
3	Sao Paulo, Brazil	2.75	15.88	23.97
4	New York, U.S.	0.06	15.64	15.78
5	Shanghai, China	1.19	11.96	14.30
6	Calcutta, India	2.75	10.95	16.53
7	Buenos Aires, Argentina	1.28	10.88	13.18
8	Rio de Janeiro, Brazil	1.64	10.37	13.26
9	London, United Kingdom	0.09	10.36	10.51
10	Seoul, Republic of Korea	1.95	10.28	13.77

Source: United Nations

The *growth rate* of a particular population, as defined by the Population Reference Bureau, is the rate at which a population is increasing (or decreasing) in a given year due to natural increase and net migration (immigration minus emigration), expressed as a percentage of the base population.

special report

LABOR IN TOKYO--RETIRED WORKER INCOME AND SPENDING PATTERNS

This report on Tokyo's aged households is the last in a three-part series on labor in Tokyo.

Japan's "silver market" is Tokyo's latest rage--one that shows no signs of going away. Now accounting for about 10 percent of Tokyo's total population, Tokyo's oldsters will account for about 16 percent of the population by the year 2000 and an astounding 24 percent by the year 2021.

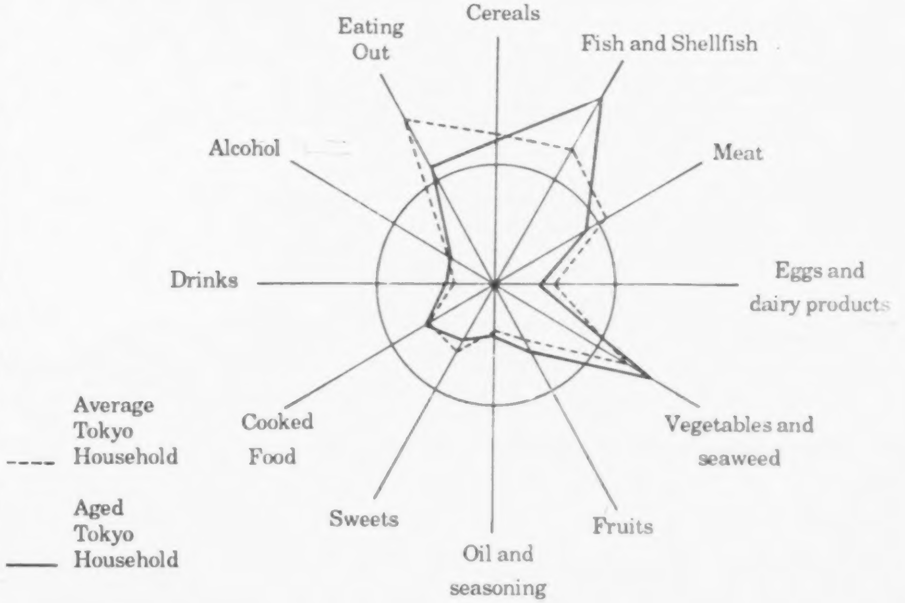
So inviting a market is not long overlooked in Tokyo. "Silver businesses," as they are called in Japan, range from free financial planning services provided by banks to help graying Japanese invest their money to home-delivery of specially prepared meals for oldsters or elderly shut-ins on special diets. The Shimizu Construction Company in a joint venture with Beverly Enterprises of California is now studying a Sun City-type development for the over-65 crowd, a hitherto unthought of project in family-centered Japan.

But how viable a market are Tokyo oldsters? How big is the market? And just how much money do the elderly have to spend and what do they tend to spend it on?

In 1980, there were about 900,000 senior citizens in Tokyo. Tokyo's 240,000 aged households accounted for 5.9 percent of all households in the city.

Although the average aged household in Tokyo--2.5 members--spends less than the average Tokyo household--3.7 members--per capita expenditure by Tokyo's senior citizens is more in every category of consumption expenditure than it is for their sons and daughters except when it comes to

TOKYO'S OLDSTERS STILL EAT MAINLY TRADITIONAL FARE



Source: "Living Standards of People in Tokyo," Bureau of General Affairs, Tokyo Municipal Government.

Tokyo's aged households have as many modern conveniences as do any in the West. But when it comes to diet, good old fish, shellfish, vegetables and seaweed retain their appeal. Younger households step out more, eating more eggs, dairy products, and meat.

education.

The table below gives a detailed breakdown of spending in yen by aged households--those in which both householder and spouse are aged 60 and over and in households of similar age composition. All data are from the Family Income and Expenditure Analysis Survey conducted by the Tokyo Municipal Government in 1983.

Tokyo's 240,000 aged households accounted for 5.9 percent of all households in 1980.

TOKYO'S ELDERLY OUTSPEND WORKERS AND YOUTH

Monthly income and expenditure for average and aged households (1983)

	Average household	*Aged household*
Number of persons in household	3.70	2.56
Average age of householder	43.1	67.7

	*Average Tokyo household (in yen)**		*Aged Tokyo household (in yen)**	
	total	*per capita*	*total*	*per capita*
Net monthly income	440,343	119,012	324,788	126,870
Current income	432,035	116,766	319,545	124,822
Salary income	417,687	112,888	270,024	105,478
Income from side business	5,954	1,609	7,816	3,053
Other current income	8,393	2,268	41,705	16,484
Social security benefit	4,355	1,177	34,568	13,503
Extraordinary income	8,309	2,245	5,244	2,048
Net monthly expenditure	376,733	101,819	317,740	124,117
Household expenditure	304,609	82,326	266,636	104,154
Consumption expenditure	293,661	79,367	266,636	104,154
Food	77,019	20,815	67,349	26,308
Housing	20,054	5,420	18,114	7,075
Light, heat and water	16,933	4,576	20,015	7,818
Furniture and household utensils	11,719	3,167	16,647	6,502
Clothing and footwear	20,975	5,668	16,807	6,565
Medical care	7,438	2,010	7,454	2,911
Transportation & communication	25,277	6,831	20,805	8,126
Education	14,894	4,025	14	5
Culture and entertainment	27,909	7,542	34,879	13,624
Other consumption expenditure	71,442	19,308	6[illegible]551	25,215
Brought forward	96,411	26,057	109,318	42,702

Source: "Living Standards of People in Tokyo," Bureau of General Affairs, T.M.G.

** When converting to $US, note that using the 1983 exchange rate of .42 cents per yen does not take into account the 40 percent rise in the yen against the dollar since that time (about .64 cents per yen in February, 1987).*

Note: As these survey results are based on a household in which both householder and spouse are aged 60 and over, they cannot be compared to those from reports that use age 65 and over as their criterion.

Although the average Tokyo household spends more than the average aged household, per capita expenditure by oldsters outstrips that of workers and youth.

regions

CANADA, MALAYSIA, SOUTH KOREA, WEST GERMANY, UNITED KINGDOM, FRANCE, ITALY

NORTH AMERICA

Canadian Wealth The net worth of Canadian families and unattached individuals in May 1984 was $85,344. (Average income in 1983 was $29,113.) The average wealth of unattached individuals was $38,146. Families with two or more members had an average wealth of $104,222. However, one half of these families had a net worth below $39,876.

Average income for families with two or more members was $34,748. Average income for unattached individuals was $15,027.

Immigrants fare well in Canada or bring wealth with them, according to Statistics Canada. Family units headed by a person born outside Canada had an average net worth of $101,971, compared to $81,158 for family units with heads born in Canada.

A family unit's most important asset was its home. Fifty-nine percent of all family units owned their own homes. Owner-occupied homes accounted for 43 percent of total asset holdings for family units. The average market value of owner-occupied homes was $71,588. Equity in businesses, farms, or professional pratices accounted for 21 percent of total assets, with another 22 percent of the total in liquid or financial assets.

These and other data on the distribution and composition of wealth according to selected socio-demographic characteristics are available in Statistics Canada's report *The Distribution of Wealth in Canada, 1984* (13-580), available for $25 from Roger Love (613-991-6898), Labour and Household Surveys Analysis Division.

ASIA

Malaysian population increased at 2.6 percent annually between 1980 and 1985 The population of Malaysia increased from 13.9 million in 1980 to 15.8 million in 1985. Peninsular Malaysia and Sarawak grew at about the same rate, 2.5 percent and 2.7 percent annually. Sabah grew the fastest at 3.9 percent annually.

Within Peninsular Malaysia, Malays and other Bumiputera populations grew at an average annual rate of 2.9 percent between 1981 and 1985, beating out the Chinese (1.7 percent) and the Indians (2.1 percent). Malays and other Bumiputera populations, therefore, made up 56.5 percent of the population, up from 55.1 percent in 1980. The proportion of the total population made up of Chinese fell from 33.9 percent of the total population in 1980 to 32.8 percent of the total population. The Indian share of the total population also decreased, from 10.3 percent in 1980 to 10.1 percent in 1983.

Source: National Population and Family Development Board, Malaysia

South Korea reaches fertility-reduction milestone They've done it! South Korea recently announced that it had reached replacement-level fertility, with the number of children a woman commonly bears down to 2.1 children per woman. This is just below the number considered necessary to replace a population.

More West Germans live alone

The proportion of West Germans under 20 will decrease from 24 percent of the total population in 1985 to 15 percent of the total population in 2030, according to a study by the Ministry of the Interior. The percentage of those over 60, on the other hand, will rise from 20 percent of the total population to 38 percent of the total population during the same period.

The study also shows an increase in the number of singles and one-person households in the age group under 50 due mainly to high divorce rates, low remarriage rates, longer life expectancies, and a surplus of men, who in 1983 outnumbered women by 470,000 in the 10-to-35 age group.

More British women singles buy their own homes

Britains' women are on the way up. More and more financially independent career women are buying their own homes, as well as their own cars.

London women, of course, lead the pack. In 1985, 24 percent of Londoners receiving a Nationwide building society's mortgage were women, as compared with 16 percent nationwide. In such London boroughs as Kensington, Chelsea, Islington, and Camden, over 30 percent of borrowers were women. These figures have almost doubled since 1975.

Who are these new women borrowers? About 56 percent of these women were single at the time they received their mortgages and about half were first-time buyers of homes.

France splits north and south on where babies are born

The French like to tell of the differences between the northerners and the southerners and their respective ways of life. Northerners are competitive and commercially minded. Southerners are open, warm, laid back.

But one thing for sure distinguishes between northerners and southerners. The north is where French women are having babies. The south is where France's growing numbers of elderly are going to retire.

So many are moving south, in fact, that population growth in the south will continue to outstrip that of the north throughout this century. Between 1975 and 1982, immigration to the south offset low birth rates, making the south the fastest growing area in France.

Fewer *bambini* in Italy

Old stereotypes die hard, but the days of Italy's extended family matriarchy are coming to a close. With an increasing proportion of women in full-time employment and the drift away from country life in which grandmothers helped care for their daughters' children, one-child families are on the rise.

Italy's birthrate has declined in the last 13 years, from 16 births per 1,000 to 9.5 per 1,000. This compares to the U.S. birthrate of 15.7 births per 1,000. The number of deaths in 1986 exceeded the number of live births--the first indication that Italy is about to join the ranks of such northern neighbors as Denmark and West Germany, which have already begun to experience declining populations. North of Rome, family size has fallen to below 1.3 children, well below the 2.2 children per couple a society needs to just reproduce itself.

Please note June 3 as the new date of our international session *at the 7th Annual Demographic Outlook Conference, sponsored by the American Demographics Institute on June 3 and 4 at the New York Hilton.*

Featured speaker will be Barbara Torrey, chief of the Center for International Research at the U.S. Census Bureau and an economist formerly with the Office of Management and Budget. Ms. Torrey will talk about consumer expenditure surveys that are now available from many foreign nations, and Census Bureau plans to analyze the data and make them available. A user from a consumer goods company will discuss how his company uses demographic data to make decisons about market entry overseas.

People interested only in the international aspects of demographic data can register for just the June 3 session which will be held from noon until 4:30 p.m. Participants are also invited to attend a vendors' exhibit and wine and cheese reception from 4:30 to 6:30 p.m. Those who register for the full two-day program can choose the international session.

publications

NEW FROM JAPAN

Japan Trade Directory 1986-87, Japan External Trade Organization, Tokyo, 1,400 pp., $220. Order from Gale Research Company, Book Tower, Detroit, MI 48226; telephone (313) 961-2242.

A complete and innovative trade directory, the **Japan Trade Directory 1986-87** provides detailed information on 2,400 Japanese companies and their 14,000 products and services. Also covered in depth are Japan's 47 prefectures, highlighting each region and its products, services, and attractions.

Information on specific companies in Japan can be located by the products and services of the company, by the prefecture in which the company is located, and by the company's name.

Another Japan-related publication offered by Gale Research Company is **Affiliates and Offices of Japanese Firms in USA and Canada**, 1986, Japan External Trade Association, 559 pp., $80. This volume lists 5,700 firms located in the U.S. or Canada that are supported or owned by Japanese interests. Entries include such information as company name, parent company name, address, telephone, year established, status of company, and location of headquarters in Japan.

Titles offered directly through the Japan External Trade Organization include:

***Japanese Legal Requirements for Electrical Appliances and Materials**, Volume 1: Legal Documentations ($US 280); Volume 2: Technical Requirements ($US 410); and Volume 3: IEC standards Reference Manual ($US 140).*

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Consumer markets abroad
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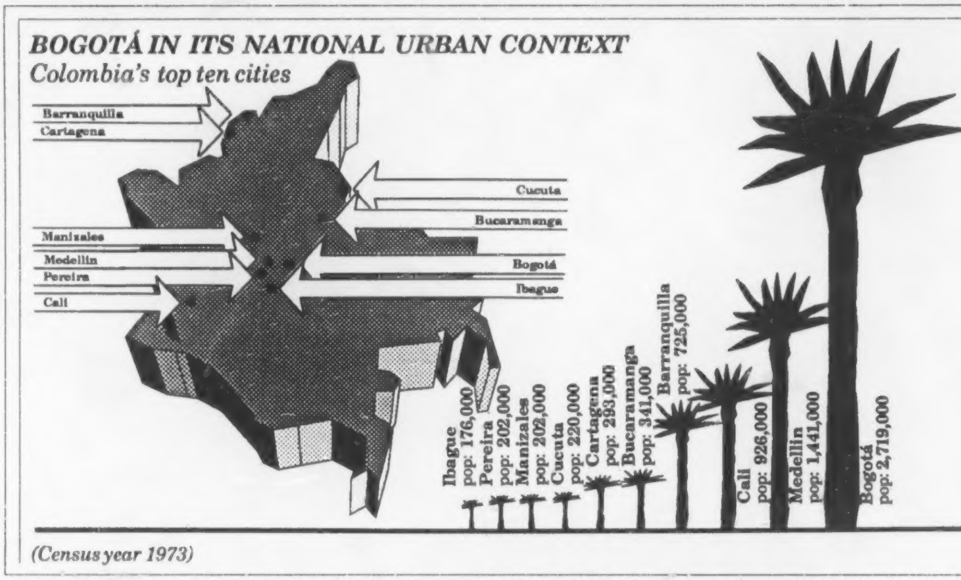
Consumer markets abroad

IN DEPTH / BOGOTÁ P. 1 RANKINGS P. 7 INSIDE INFORMATION P. 11 WHAT THE NUMBERS MEAN P. 13 SPECIAL REPORT ON BRITISH WOMEN P. 12 REGIONS P. 14 PUBLICATIONS P. 16

in depth

BOGOTÁ-- COLOMBIA'S THRIVING CAPITAL


BOGOTÁ IN ITS NATIONAL URBAN CONTEXT

Colombia's top ten cities

(Census year 1973)

Bogotá dominates its national urban scene to a much lesser degree than the capitals of most other Latin American countries do. Only Brazil's urban system is more decentralized than Colombia's.

*L*ike most of its Latin American counterparts, Colombia is rapidly urbanizing. But although the nation's capital, Bogotá, has a high rate of growth--about 6 percent annually between 1950 and 1980--it has only grown slightly faster than such other fast-moving Colombian cities as Barranquilla, Cali, and Medellin.

Unlike Lima, Buenos Aires, and many other Latin American capitals, Bogotá is not a full-blown primate city but is rather a part of a decentralized urban system. Home to 20 percent of Columbia's urban population and the largest industrial agglomeration in the nation, Bogotá shares its dominance with several other large Colombian cities, notably the other primary industrial concentrations of Medellin, Cali, and Barranquilla.

Migration to Bogotá remains heavy but is more a consequence of overall urbanization trends rather than the existence of superior economic opportunities in the city. In fact, Bogotá's national product relative to the national per capita product actually decreased after 1960.

In 1979, Bogotá was home to about 30 percent of the Colombian labor force employed in manufacturing; Medellin, 23 percent; Cali, 12 percent; and Barranquilla, 7.5 percent. Bogotá, however, has the most diversified industrial infrastructure.

Bogotá shares its dominance with several other large Colombian cities--Medellin, Cali, and Barranquilla.

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 6 NUMBER 5 MAY 1987

JUST HOW BIG IS BOGOTÁ NOW?

Estimating the current population of Bogotá points to the difficulties inherent in working from out-of-date census data to project city populations. The corrected 1973 census--the latest census available--counted 2.86 million people in Bogotá. But projections for the 1980 population of Bogotá range from 4 million to 5.1 million, making Bogotá about the 30th largest agglomeration in the world and the fifth largest in Latin America.

Since the 1950s, Bogotá has grown by about 6 percent a year, a high rate of growth compared to

Average household income generally rises as one moves from south to north in a clockwise direction.

BOGOTÁ'S RICH LIVE IN THE NORTH

Distribution of monthly income in Bogotá by comuna (1978)

Rank[a]	*Comuna*	*Mean household income per capita (1978 pesos)*	*Mean household income (1978 pesos)*	*Households in bottom 30 percent*[b] *(percent)*
1	83	17,960	47,834	6.4%
2	81	14,499	26,250	12.4
3	82	9,530	27,788	6.3
4	84	7,418	38,899	8.8
5	71	7,270	27,102	0.0
6	62	5,166	24,382	13.0
7	51	4,899	24,432	7.9
8	85	4,666	23,758	27.1
9	61	4,608	18,529	5.1
10	72	4,432	16,794	11.4
11	73	4,035	15,027	6.6
12	74	3,724	19,348	16.8
13	54	3,715	19,564	22.0
14	41	3,637	17,292	16.8
15	63	3,316	13,944	24.4
16	21	3,249	15,674	19.8
17	91	3,198	16,504	24.6
18	42	2,810	11,185	30.0
19	12	2,800	12,179	16.6
20	23	2,786	10,152	15.2
21	31	2,490	8,343	25.9
22	55	2,432	8,655	34.0
23	65	2,430	12,262	26.2
24	56	2,374	11,323	26.5
25	43	2,340	10,439	23.4
26	44	2,305	10,802	16.7
27	22	2,151	7,335	23.1
28	24	2,054	7,844	27.5
29	45	1,993	5,661	32.9
30	32	1,898	6,216	37.5
31	64	1,826	9,655	30.0
32	53	1,757	9,144	45.2
33	25	1,728	5,971	54.8
34	52	1,711	6,625	37.7
35	11	1,678	8,346	37.3
36	92	1,666	7,398	39.0
37	14	1,608	7,153	40.0
38	13	1,240	5,706	48.8

[a] *Ranked by mean household income per capita.*

[b] *This is the percentage of households in the comuna that fall in the bottom 30 percent in Bogotá ranked by household income per capita.*

Source: 1978 World Bank-DANE Household Survey.

Consumer markets abroad

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cities in the rest of the world. Government estimates peg Bogotá's 1990 population at 8.5 million people. However, the United Nations projects Bogotá's population to reach only 6.5 million by the year 2000. The difference in these figures points to the difficulty

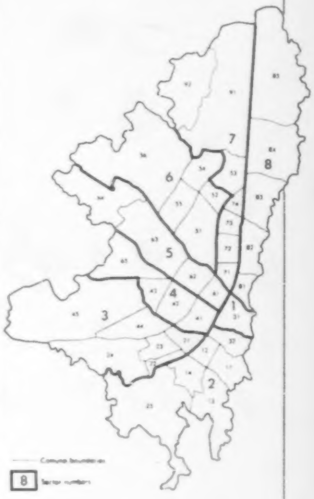
HOUSEHOLD SIZE INCREASES WITH DISTANCE FROM CITY CENTER

Populations, household sizes, growth rates, and population densities by comuna and sector of Bogotá (1977)

	Population 1977 (thousands)	*Mean household size*	*Annual growth 1973-77*	*Density 1977 hectare*
Sector 1	68	4.3	-1.8%	171
Comuna 31	68	4.3	-1.8	171
Sector 2	644		6.9	148
Comuna 11	55	5.0	7.6	
Comuna 12	68	5.0	11.5	
Comuna 13	150	5.8	7.8	
Comuna 14	92	5.3	10.4	
Comuna 25	174	5.1	0.6	
Comuna 32	105	4.7	11.9	
Sector 3	888		4.3	167
Comuna 21	94	5.2	5.5	
Comuna 22	84	5.3	8.3	
Comuna 23	113	5.3	0.7	
Comuna 24	138	5.3	-4.2	
Comuna 44	151	5.1	7.8	
Comuna 45	308	5.6	7.8	
Sector 4	280		-0.5	146
Comuna 41	90	4.6	-4.5	
Comuna 42	70	5.2	3.9	
Comuna 43	80	5.0	-2.9	
Comuna 65	40	5.3	9.3	
Sector 5	228		2.0	74
Comuna 61	27	3.2	-9.9	
Comuna 62	43	4.9	14.5	
Comuna 63	39	5.5	10.7	
Comuna 64	119	5.1	-0.2	
Sector 6	660		6.7	116
Comuna 51	90	5.6	13.1	
Comuna 52	85	4.5	0.3	
Comuna 54	97	4.7	0.3	
Comuna 55	67	4.8	-6.9	
Comuna 56	321	5.4	14.8	
Sector 7	475		7.3	94
Comuna 53	75	5.8	9.6	
Comuna 71	47	4.3	1.7	
Comuna 72	80	4.8	9.3	
Comuna 73	90	5.0	2.7	
Comuna 74	36	5.2	-9.6	
Comuna 91	89	5.1	20.7	
Comuna 92	58	5.6	18.9	
Sector 8	256		6.8	55
Comuna 81	19	4.2	-5.7	
Comuna 82	49	4.1	-4.1	
Comuna 83	65	4.8	9.6	
Comuna 84	68	5.2	14.2	
Comuna 85	55	5.7	10.4	
Total	3,499	5.1	5.0	115

Source: DANE

BOGOTÁ'S COMUNAS AND SECTOR SYSTEM



Bogotá's inner-city population has remained fairly stable while the population at the city's periphery has increased.

Most of Bogotá's best neighborhoods now lie to the north of the city.

in making city population projections.

Until recently, migration was the primary component in the city's rapid growth. In 1973, 49 percent of Bogotá's residents were non-natives, down from about 51 percent in 1964.

Physically, there is little to restrain Bogotá's growth except for mountains to the east, which are responsible for Bogotá's semicircular shape. To the west, the savanna forms an almost level plain where construction is feasible at relatively modest costs. On the other hand, further expansion in this direction would mean a loss of scarce flat, temperate land for agriculture.

The savanna now supports more than 110 flower growers. In 1978, these firms employed about 25,000 people--especially women--and exported an estimated $53 million worth of flowers. Further encroachments on the available fertile land, such as those now occurring in the southwestern suburb of Soacha, the new industrial area at El Muna, and the expansion of high-income housing in Chia, may eventually slow the growth of the booming flower-growing sector.

THE ANATOMY OF THE CITY

Bogotá covers an urbanized area of 72 square miles in the central region of Colombia. The city of Bogotá belongs to the special district of Bogotá (613 square miles), part of the Department of Cundinamarca.

For data collection and analysis purposes, Colombia's national statistical agency DANE (Departamento Administrativo Nacional de Estadistica) divides Bogotá into comunas, rings, and sectors. However, the basic socioeconomic unit in the city is the *barrio* or neighborhood. In 1978, Bogotá had 700 *barrios*. DANE geocodes the *barrio* unit in a four-digit number of which the first two digits identify a comuna, or a collection of *barrios*. The last two digits identify the *barrios* within the comuna (see page 10).

The World Bank City Study, from which much of the demographic data and analysis in this profile are taken, further aggregates the comunas into rings and sectors. For simplicity's sake, this profile only discusses the demographics of Bogotá using the sector system. Comunas boundaries shown on the map on page 3 are Bogotá's major streets.

The mountains lying to the east of Bogotá define its north-south semicircular shape. Bogotá's location on a high, level plain at 8,400 feet above sea level makes it one of the world's highest capital cities. Often shrouded in clouds and drenched in rain, it is hardly an exhilarating spot, however. Because of its elevation and its location close to the equator, temperatures vary little throughout the year. Although slightly higher from March to May and slightly lower in July, the average temperature of 58 degrees Fahrenheit is almost constant.

WHERE THE HAVES AND HAVE-NOTS LIVE

Most of Bogotá's best neighborhoods now lie to the north of the city. The northern drift of the upper-middle class away from the city center began as early as the 1920s and continues today. Banks and corporate headquarters dominate the northern sections of the city, and street vendors and prostitution increasingly dominate the scene in the center-south.

As opposed to the pattern of most American cities, income does not generally rise as one moves from the center to the periphery of the city. Typical of many developing country cities, Bogotá's poor tend to be pushed out toward the city's periphery.

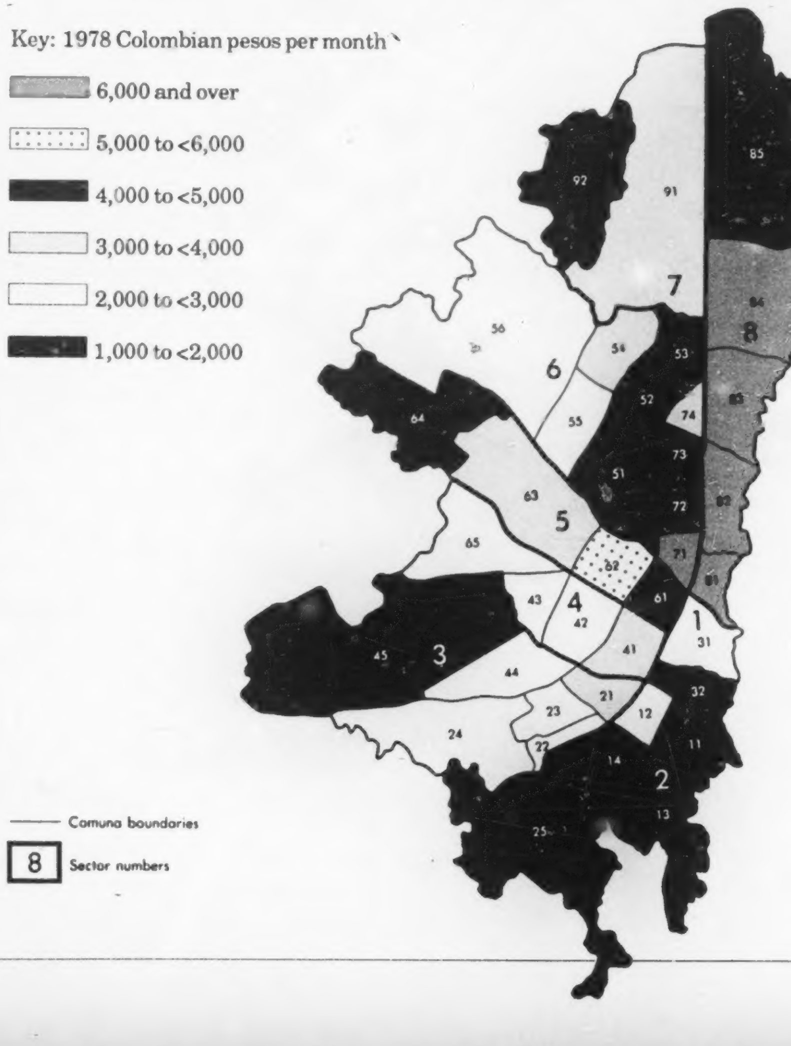
Household size increase also follows this pattern with the bigger, poorer families living successively farther out from the city center. Average household size for the city was 4.8 people in 1978, but the city center's household size was only 3.8 people per household, while household size at the city's periphery was 5.2.

Correspondingly, household income per capita falls with increasing household size. Income increases progressively in a roughly northern pattern from sector 2 to sector 8, except for the relatively poor sector 6. The richest sector--sector 8--is five times richer than the poorest sector--sector 2. Almost half of the city and its poor live in sectors 2 and 3. Most residents of these sectors leave their sectors to work.

Bogotá also shows a marked pattern of spatial segmentation by occupation. Sectors 7 and 8 are dominated by professionals and maids; sector 6, by production and construction workers; sector 5, by mixed occupations broadly defined by sector 5's location in the indus-

The richest sector--sector 8--is five times richer than the poorest sector--sector 2. Almost half of the city and its poor live in sectors 2 and 3.

BOGOTÁ'S HAVES AND HAVE-NOTS


Key: 1978 Colombian pesos per month
6,000 and over
5,000 to <6,000
4,000 to <5,000
3,000 to <4,000
2,000 to <3,000
1,000 to <2,000
Comuna boundaries
8 Sector numbers
92
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Married women are increasingly joining the labor force.

Women are catching up in average educational attainment.

The labor force is expanding rapidly.

trial sector; sector 3, by clerks, typists, and production workers; and sectors 1 and 2, by production, construction, and transport workers.

Bogotá is becoming increasingly suburbanized. As the city grew, it decentralized, with the central parts of the city housing successively smaller proportions of the population. In addition, Bogotá's spatial growth kept pace with its population growth, resulting in a relatively constant average population density. Between 1964 and 1977, the population of the central district declined from 86,000 to 68,000.

The outskirts of Bogotá are less densely populated than the city center, with the central business district--Sector 1 (see map on page 3)--slightly less dense than the surrounding area. Southern sectors of the city--sectors 2, 3, and 4--are more densely populated than northern sectors--sectors 6, 7, and 8. The western part of the city has begun to grow only recently, with all sectors growing uniformly, except for sector 6 which outpaced the others. Sectors 4 and 5 make up the industrial corridor.

Sectors 2, 3, and 6 held the majority of the population in 1978--20.6 percent, 25.2 percent, and 20 percent, respectively. Sectors 7 and 8 each housed 9.1 percent, with sector 1 accounting for 2.4 percent of the population; sector 4, 7.2 percent; and sector 5, 6.2 percent.

THE CITY CENTER

The Plaza Bolivar, with its cathedral and the Congress buildings, forms the heart of Bogotá. Around it are the steep, narrow streets and the colonial mansions of the Old Quarter, with their typical barred windows, carved doorways and sheltering eaves. The Old Quarter and the area to its immediate north, along the two main roads to Chapinero, contain most of the financial, insurance, and industrial company headquarters, as well as many government offices. The area is usually quite congested with traffic. The street plan of the center consists of Calles and Correras, at right angles to each other. The rectangular pattern is broken by the Avenida Jimenez de Quesada.

Bogotá, especially the city center, has a reputation for violence. The number of homicides, for example, has increased from 846 in 1971 to 1,347 in 1981. Assaults and thefts increased from 17,173 reported cases in 1971 to 20,242 in 1981. The city center is considered unsafe at night.

TRAFFIC INCREASINGLY CONGESTED IN CITY CENTER

Traffic congestion in Bogotá is less severe than in some other Latin American cities such as Caracas, but the situation is deteriorating. By 1990, family car ownership will rise to about 25 percent (115,000 cars), up from an estimated 13 percent (82,000 cars) in 1972, according to the 1974 Bogotá Urban Development Study.

Especially precarious is the situation of public transportation. While Bogotá's center accounts for some 210,000 jobs, only about 10,000 workers live in this area. Consequently, some 200,000 people commute to and from work each day, the majority of whom come from poor districts far from the city center. About 72 percent depend on public transportation. Public transport facilities handle about 5 million trips per day. In 1980, Bogotá had an estimated 3,858 small buses and 7,119 standard buses.

BOGOTÁ HOUSING BETTER THAN ITS LATIN AMERICAN CITY COUNTERPARTS

On the whole, housing contrasts in Bogotá are not as stark as in some other Latin American cities, although the estimated 1980 housing deficit of 210,000 units led to significant self-help construction. The cool, damp climate does not encourage makeshift dwellings. Even the poor tend to live in relatively solid structures.

According to the 1973 census, only 14 percent of the city's 392,088 housing units were considered substandard, a number that compares favorably with the 35 percent found substandard in Cali and 54 percent in Barranquilla. Of Colombia's big cities, only Medellin had better housing scores than Bogotá, with only 10 percent of all units considered substandard.

The worst housing conditions are found in the south, along the hillsides, in the central area, and in the far north and northwest. The poorest strata of society and recent migrants tend to rent the *inquilinatos* in the old elite neighborhoods south of the city center, or drift toward the less desirable areas in the south of the city. The *inquilinatos*, similar to Brazil's *corticos,* are generally shared by several families. They lack proper sanitation facilities and other infrastructure. In some areas, like San Cristobal and Bosa, *inquilinatos* comprise nearly 50 percent of the available housing.

Much low-income housing is self-built. But, unlike other Latin American cities, Bogotá has few squatter settlements on public land. Most improvised-unit dwellers--some 75 percent of the low-income population--own the land on which they built their homes. With time, these unplanned settlements are absorbed into the urban network and provided with the necessary utilities and other infrastructure.

Practically all housing schemes sponsored by the Instituto de Credito Territorial have reinforced residential segregation. The Ciudad Kennedy, developed for the lower-middle income groups in the early 1960s, was located in the southwest. Later, the city's main wholesale market was also moved to this area. Another scheme, the Pablo VI housing project, which was primarily intended for the middle class, was set up close to previously existing middle-class areas.

In 1970, there were about 4,955 houses in squatter settlements, 204,182 homes in pirate settlements, 48,740 in government-sponsored housing projects, and 193,124 homes obtained through the formal housing market.

A surprisingly large proportion of the population (73 percent in 1973) has access to a telephone. Sixty percent of households in 1977 had television sets, and 90 percent had radios. Bogotá has six major broadcasting networks and several smaller independent stations.

BOGOTÁ RESIDENTS MAKE DRAMATIC STRIDES IN EDUCATIONAL ATTAINMENT

Women have made dramatic inroads into equalizing educational attainment with men. In fact, Bogotá has made impressive strides in raising the general level of its populace's education, for both men and women. In 1980, enrollment rates in primary, secondary, and higher education were 100 percent, 39 percent, and 9 percent, up from 77 percent, 12 percent, and only 2 percent in 1960. Although about one-quarter of Colombia's population is illiterate, the illiteracy rate in Bogotá is only about 10 percent.

As elsewhere in Latin Amer-

rankings

WORLD RANKINGS: WHERE DOES BOGOTÁ FIT IN?

Bogotá's 30-year growth rate is the second highest of Latin American cities

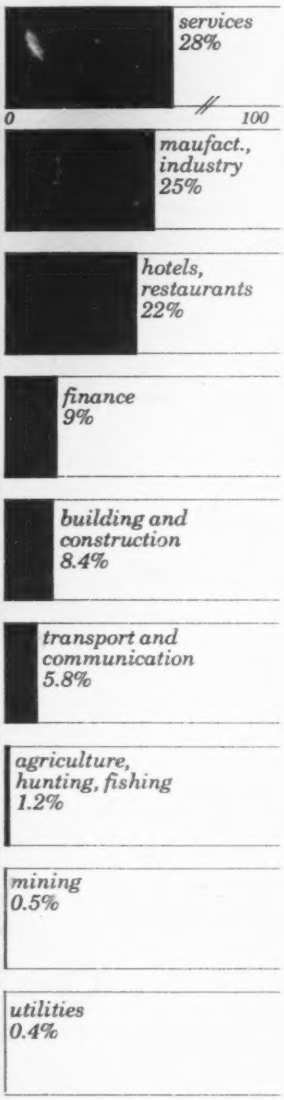
Average annual rate of growth, 1950-1980 (per 100 population)

1.	Belo Horizonte, Brazil	6.9
2.	**Bogotá, Colombia**	**6.4**
3.	Guadalajara, Mexico	6.3
4.	Monterrey, Mexico	5.8
5.	Porto Alegre, Brazil	5.8
6.	São Paulo, Brazil	5.6
7.	Mexico City, Mexico	5.4
8.	Caracas, Venezuela	5.3
9.	Lima, Peru	4.8
10.	Recife, Brazil	4.4

Sources: 1950 and 1980, United Nations, Population Division data bank; 1960 and 1970, national censuses.

WHERE THEY WORK (1980)

Economic activity of the employed: Bogotá



Note: Totals do not add to 100 percent due to rounding.

ica, the secondary school system is dominated by private schools. Of the 116,678 children (35 percent) aged 12 to 17 who were attending secondary schools, only about 33,000 attended public schools.

BOGOTÁ STRIKES BALANCE BETWEEN ADMINISTRATIVE AND MANUFACTURING ACTIVITIES

Bogotá is a fairly well-balanced city, with white-collar government-sector and service-sector employment predominating over blue-collar manufacturing employment. The structure of employment in Bogotá has remained fairly stable since 1951. In 1978, 23.7 percent of workers were employed in manufacturing, up from 20.1 percent in 1973. Service-sector employment also showed some gains, up from 32.1 percent in 1973 to 37.8 percent in 1978. Employment in commerce also was up, from 16.3 percent of workers in 1973 to 23.4 percent in 1978. In 1978, 1.4 percent of workers were employed in agriculture, 7.4 percent in construction, 5.9 percent in transport, and 0.5 in utilities.

Among the city's most important problems is unemployment. In the 1970s, between 6.8 and 12.2 percent of the economically active population were unemployed. In July of 1980, there were an estimated 1.7 million people out of work. This is low compared with other Colombian cities, but still considerable because the open unemployment rate does not count those who are permanently unemployed in the marginal sectors of the urban economy. However, considering Bogotá's high rates of population growth and in-migration, Bogotá's urban employment problem is not considered excessive.

Generating jobs for Bogotá's increasingly large labor force is an ongoing struggle, however. Due to increasing participation in the labor force by women and the predominance of youth in the city, the labor force will continue to grow rapidly, in spite of slowing population growth. The numbers of young, married women joining the labor force particularly stand out. In 1973, only 37 percent of women aged 25 to 34 worked. By 1978, 45.1 percent were working.

Analysts see Bogotá's chances of employing its burgeoning labor force as better than other developing country megacities' due to its well-balanced and well-diversified economy.

ONE IN TWO BOGOTÁ RESIDENTS UNDER 25

Bogotá, like most Latin American cities, has a young population. The most recent breakdown of Bogotá's population by age and sex was done in 1978 by The World Bank. The World Bank found that, in common with many other Latin American cities, Bogotá has a high proportion of women and young people.

The 1978 DANE household survey found that men made up 47.5 percent of Bogota's population; women made up the rest--52.5 percent. Women migrants come to the city mostly as domestic servants.

Fully 58 percent of the population was under age 25, with 32 percent under age 15. Those between ages 25 and 64 made up 38 percent of the total population, while only 3 percent were age 65 and over.

Completed family size in Bogotá has plummeted since the inception of family planning programs in the early 1960s. Colombia was one of the first Latin American countries to institutionalize family planning programs on a large scale. Completed family sizes for the country as a whole are estimated to have declined from 6.7 children in 1964 to about 4 children in the early 1980s.

This decline has been more rapid in Bogotá and in other Colombian urban areas due largely to increased literacy among women, improved access to education and birth control methods, and the increased rate of female participation in the labor force. Between 1973 and 1978, the labor force participation rate for women in Bogotá increased from 30.7 percent to 33.4 percent.

The 1976 World Fertility Survey found that Bogotá's completed family size was around three children, in comparison to about four children for the country as a whole and six children in rural areas. Crude birthrates in Colombia as a whole have declined from 40 per 1,000--46 in rural and 34 in ruban areas--in 1964 to about 31 in 1979.

However, although women are having fewer children, the population of Bogotá will continue to surge due to natural increase as the disproportionately large group of youths born during past high fertility years enter their childbearing years. This means a labor force that will continue to grow rapidly, even though the overall population growth rate is declining.

The large proportion of dependent children in the population lowers the overall labor force participation rate, however, increasing the number of dependents per worker. With youths between ages 15 and 20 increasingly remaining in school, the overall participation rate of men in the labor force fell from 56.6 percent in 1951 to 47.5 percent in 1978. For those aged 15 to 20, participation in the labor force fell from 50 percent to 33 percent during the same period.

RISING REAL PER CAPITA INCOME

Bogotá is not only bigger but wealthier. Income gains in Bogotá have outpaced those of any other area in Colombia. Between 1956 and 1973, Colombia's per capita income increased by about 45 percent, but the increase was more rapid in Bogotá, where per capita incomes in 1970 were about 60 percent higher than the national average.

However, the distribution of wealth is unevenly skewed. In 1978, the top 10 percent of Bogotá's population received 37 percent of the total income, whereas the poorest 50 percent received only 19 percent of the total. Half the population received less than $50 a month.

This situation is improving slowly. In real terms, the legal minimum wage in 1981 was roughly a third higher than in 1975. And at the national level, manufacturing wages were up 17 percent; building and construction wages, up 19 percent; and retailing wages, up 21 percent.

SOURCES

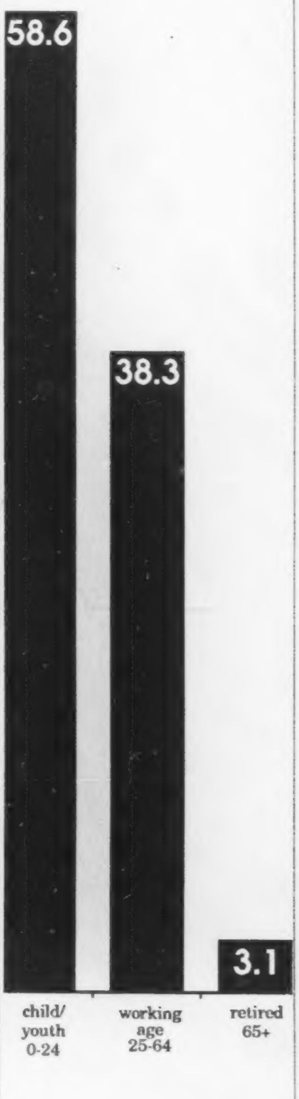
Bogotá is perhaps Latin America's most well-documented city. A great deal of benchmark information is available on Colombia and its major cities due to the efforts of DANE and worldwide organizations such as The World Bank and the United Nations.

DANE has conducted a regular program of household surveys since 1970. Their major emphasis has been on collecting data on the labor force. Results of the last two major censuses in 1964 and 1973 are readily available from DANE.

DANE's within-city geocoding scheme, consistently in use since 1964 in all surveys, adds the ability to place sample households in their neighborhood of residence.

OVER HALF OF BOGOTÁ'S POPULATION IS UNDER THE AGE OF 25 (1978)

Age structure of Bogotá's population in percent



Bogotá is perhaps Latin America's best-documented city.

Since 1975, these surveys have been collected quarterly, alternating between Colombia's four major cities and the seven largest cities along with an occasional national survey.

A major urban development study was conducted by the United Nations Development Program between 1970 and 1974. The Phase II Study generated a great deal of benchmark data used by the later World Bank City Study of Bogotá.

Much of the current in-depth data on Bogotá come from the World Bank research project known as the City Study. Results of this study and DANE surveys are presented in *Work, Wages, and Welfare in a Developing Metropolis: Consequences of Growth in Bogotá, Colombia* by Rakesh Mohan. This copiously documented book examines the interaction between the changing economic and demographic structure of the city and the workings of the urban labor market. It explores the extent of poverty, changes in levels and distribution of earnings over time, and the factors that cause low earnings. It also examines the city of Cali in the same light, based on City Study data and DANE survey data. This publication is available for $34.50 from The World Bank Publications Department, 600 19th St., N.W., Washington, DC; telephone (202) 473-2941.

In 1978, The World Bank City Study and DANE jointly conducted a survey of about 3,000 households in Bogotá. This survey covered household and dwelling characteristics, demographic characteristics of all individuals, worker characteristics, information on the unemployed, and information on vehicle ownership and journey-to-work characteristics for the employed. Much of the data in this profile of Bogotá come from the analysis of this survey data, presented in World Bank Research publications, rather than from Colombia's last census, which dates back to 1973.

--Ralph Hakkert

NEIGHBORHOODS OF BOGOTÁ

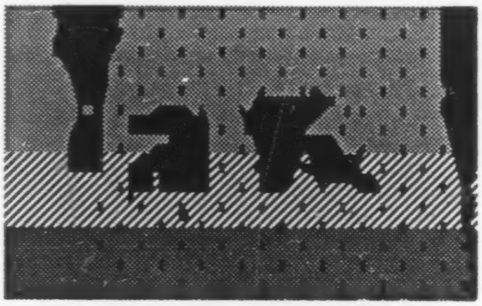
By comuna number

11	San Cristóbal, Sur Oriental, San Blas, Buenos Aires Sur Oriental
12	Ciudad Jardín Sur, Sevilla, Nariño Sur
13	Bello Horizonte, Córdoba, Santa Inés Sur
14	San José, Veinte de Julio, Sociego Sur
21	Restrepo, San Antonio
22	Quiroga, Santa Lucía, Olaya
23	Inglés, Claret, Libertador
24	San Vicente Ferrer, Fátima, Samoré
25	San Carlos, San Pablo, Marco Fidel Suárez
31	Egipto, Las Aguas, Las Nieves
32	Las Cruces, Santa Bárbara, San Bernardo
41	Eduardo Santos, Ricaurte, Santa Isabel
42	Primavera Occidental, La Asunción, San Francisco Occidental
43	Galán, Colón, La Pradera
44	Delicias, San Andrés, Alcalá, La Alquería
45	Ciudad Kennedy, Timiza
51	La Esmeralda, Pablo VI, Popular-Modelo Norte
52	San Fernando, Doce de Octubre
53	Rionegro, Los Andes, La Castellana
54	Las Ferias, Bonanza
55	La Estrada, Bellavista Occidental, Bosque Popular
56	Boyacá, Floridablanca, Santa Helenita
61	Santa Fe, Samper Mendoza, La Favorita
62	El Recuerdo, Cundinamarca, Centro Nariño
63	Puente Aranda, Modelia Occidental, Santa Cecilia
64	La Cabaña, Fontibón, Versalles
65	Castilla, Marsella, Pio XII, El Antojo
71	La Soledad, Teusaquillo, Santa Teresita
72	San Luis, Alfonso López, Palermo
73	La Paz, Colombia, Siete de Agosto
74	Polo Club, Santa Sofía, Juan XIII
81	La Perseverancia, La Macarena, San Martín
82	Chapinero Centro, Marly, Quinta Camacho
83	Chicó, Antigo Country
84	Santa Bárbara Occidental, San Patricio, Santa Bibiana
85	San Cristóbal Norte, Cedros, La Pradera Norte
91	Jardín Norte, Niza, Tierra Linda
92	Suba, Costa Rica, La Palma

Neighborhood (barrio) *names have not been used in this profile. To coordinate* barrios *with their corresponding sectors and comunas, see map on page 3.*

inside information

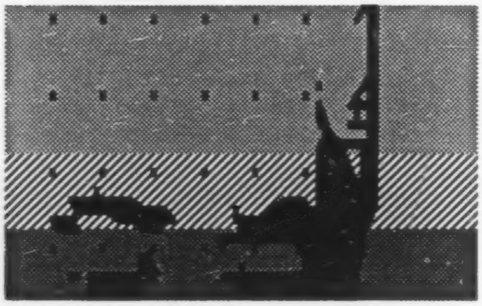
COLOMBIA'S NARCO-DOLLAR-- THE COCAINE FORTUNES



In the last decade, as cocaine exports boomed, a new moneyed class rose and gradually took over power in Colombia--the cocaine *mafiosos* . Their underlings also prospered, from the farmers who grew the coca to the shippers and handlers who processed and moved the finished product.

Some of the enormous wealth of the drug traffickers is spent on posh estates, cars, aircraft, and horses. But how much of this wealth stays at home and how much is stashed away abroad is a matter of debate.

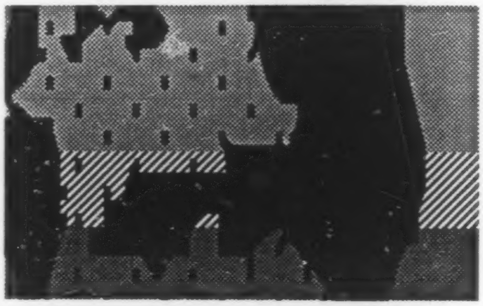
No doubt billions of narco-dollars are in U.S., Panamanian, and Western European banks. In one peace gesture, Colombia's ruling drug kingpins offered to pay off the country's $13 billion foreign debt in return for immunity from possible extradition to the U.S. The 1979 extradition treaty with the U.S. makes it possible to send cocaine dealers to trial in the U.S.



But some narco-dollars do float in the local economy, although how many of them is anyone's guess. Cocaine is often directly bartered for shipments of consumer goods, according to a National Public Radio report.

One drug kingpin, called "Don Pablo the Good" by locals in Medellin, Colombia's second largest city, acts as a kind of public benefactor, supporting public-works and recreational projects. Drug money from Pablo Escobar Gaviria has built a zoo and housing for the poor. Escobar's "Medellin Without Slums" program created 500 houses for former Medellin squatters.

No wonder that in 1982 Escobar was elected as an alternate congressman for Antioquia Province. Just how legitimate drug family members can get in the country's capital of Bogotá is another question. The social elite of Medellin have shown much more latitude with drug families than have Bogotá's rich.



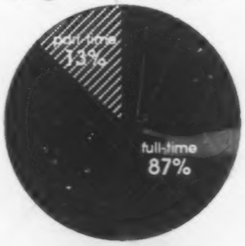
Bogotá, as Colombia's besieged capital, is of course affected by the power of the narco-dollar, although less directly so than the city of Medellin. Medellin's excellent air connections, strategic location, and industrial base, which provides the chemicals needed for cocaine processing, have made Medellin the center of Colombia's drug empire. But, Bogotá, as the country's administrative capital, is the scene of increasing drug-related violence as traffickers battle government law enforcement efforts by killing off officials whom they cannot bribe.

Source: New York Times Magazine, March 8, 1987.

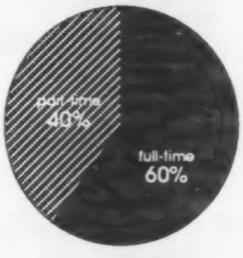
THE NEW BRITISH WOMAN

Married British women tend to work part-time, especially when they have children

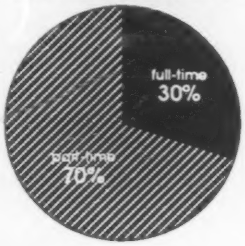
Single and childless



Married and childless



Married with children



Source: General Household Survey 1983

She is better educated, marries later, has babies later, is more likely to divorce than other Europeans, and works either full- or part-time. The new British woman may be a long way from equal pay for equal work and fair representation in public life, but she is increasingly independent and active outside the home.

The number of British marriages has not only fallen steadily since the early 1970s, but women who do marry marry later. By 1984, only 17.9 percent of women under 20 were married, down from 32.5 percent in 1966.

Women also are starting their families later. The mean age of mothers at the birth of their first legitimate child has gone from 24 years in 1971 to 25.8 years in 1984.

These trends reflect the improved access women have to higher education and full-time employment. Women's share of enrollments in higher education in 1984 was 53.7 percent in non-advanced courses and 39.1 percent in advanced courses. And while the total number of British university undergrads fell by 11,600 between 1981-82 and 1984-85, the number of women students remained steady at 100,000, accounting for 41.5 percent of all undergrads in 1984. The number of women students at the postgraduate level, on the other hand, rose from 14,513 students in 1980-81 to 15,560 in 1984-85. Women postgrads also increased as a proportion of the whole, from 30.5 percent to 31.8 percent over the same period.

Women still tended to concentrate their studies in traditionally female-oriented subjects, however. They predominated in 1984 in the study of the arts, education, and health and welfare, while men predominated in science, engineering, and technology.

Women did make inroads into male-dominated subject areas, however. The number of women increased noticeably in full-time engineering and technology courses from only 407 in 1981 to 822 in 1984. But this still represented only 6.6 percent of the total.

Between 1975 and 1984, women increasingly entered the work force either as full- or part-timers. As more youths entered the labor force than the number of older workers who retired, Britain's workforce increased by 1.4 million people. Women, especially in the younger age groups, increasingly entered the labor force during this period, raising their representation in the labor force from 37.5 percent in 1971 to 41.4 percent in 1984. The proportion of women aged 25 to 34 in the labor force grew from 51.8 percent in 1975 to 60.1 percent in 1984.

British women who are employed full-time tend to work in clerical and related occupations (41.5 percent) and in professional and related occupations in education, health and welfare (19.6 percent), with part-timers heavily concentrated in catering, cleaning, hairdressing, and other personal service occupations.

Married British women--much as their counterparts in Japan--tend to work part-time, especially when they have children. Thirty-eight percent of working women in 1983 had dependent children. Two out of three of these women worked part-time, as compared to 39 percent of married women without children and only 13 percent of non-married women without children.

Source: Women and Men in Britain: A Statistical Profile, 1986.

what the numbers mean

"URBAN PRIMACY"

With rapid rates of growth expanding the populations of world cities to numbers never before experienced in the history of mankind, population redistribution is on everyone's mind.

Some countries, however, have more to worry about than others. Those with well-balanced urban systems, in which several large cities share industrial and population growth, can more adequately deal with such growth-related problems as providing urban infrastructure and jobs. Those in which industry and population are concentrated in one large mega-city often play a desperate game of catch-up ball trying to accommodate surging growth.

Colombia, in contrast to many of its Latin American counterparts, is characterized by a well-balanced urban system. National industrial growth is not concentrated in the Bogotá region solely, but is shared with such secondary cities as Medellin, Barranquilla, and Cali. Mexico, on the other hand, is an extreme example of a country in which one city presides. Mexico City, with an estimated 1985 metropolitan population of 17 million, is six times as large as Mexico's second largest city of Guadalajara.

Mexico City is typical of other Latin American magnet cities that historically drew a disproportionately large share of a country's rural migrants moving to urban areas in search of a better life. Magnet cities in Latin America tended to be the country's capital or major seaport.

Countries in which post-World War II industrialization spread more evenly throughout the country, such as Colombia and Brazil, have stable or declining urban primacy ratios--the ratio of the population in a country's largest city to the combined population of the three next ranking cities.

Even before the war, São Paulo combined with Rio de Janeiro to create a bi-polar primacy pattern in Brazil. The post-war industrial development of São Paulo led to a declining urban primacy ratio for Brazil.

In Peru and Venezuela, on the other hand, the primate cities of Lima and Caracas further concentrated the national share of industry and population, leading to rising urban primacy ratios.

The table below shows trends in urban population concentration in six Latin American countries and the United States. Colombia and Brazil present the healthiest urban system pictures, while Peru and Chile present the worst.

The *urban primacy* ratio is the ratio of the population in a country's largest city to the combined population of the three next ranking cities, according to the Population Reference Bureau.

URBAN PRIMACY IN SIX LATIN AMERICAN COUNTRIES AND THE UNITED STATES

(Ratio of population in largest city to that of three next ranking cities)

Country	*Pre-1940*	*About 1960*	*About 1980*
Brazil	1.0	0.8	0.9
Chile	1.8	2.5	2.8
Colombia	0.8	0.8	0.9
Mexico	2.4	2.6	2.8
Peru	4.2	5.0	4.2
Venezuela	1.2	1.6	1.5
United States	0.8	0.6	0.7

Sources: Harley L. Browning, Robert W. Fox, United Nations, U.S. Bureau of the Census.

regions

JAPAN, THAILAND, AUSTRALIA, WEST GERMANY

Japanese youth move to extremes Gone are the days when Japanese youth were the image of their conscientious and serious elders. A new survey, "Survey on Metropolitan Youth's Outlook on Life and Sense of Value," conducted in 1985 by the Tokyo Metropolitan Government, found that youth who considered themselves serious, nose-to-the-grindstone types had fallen from 36 percent of those surveyed in 1976 to 29 percent in 1985.

Lightheartedness is on the rise, according to the survey. In 1976, only 18 percent of those surveyed felt free to be casual about one's career and the expectations of others. In 1985, 24 percent did.

On the flip side, dissatisfaction and rebellion are also on the rise with youth. By 1985, 30 percent of youths surveyed felt irritated, distrusting of adults, rebellious, and discontent, up from 21 percent in 1976.

Intellectual youths involved in political causes and ideologies are on the wane. Only 17 percent of the youths surveyed in 1985 felt moved to action over perceived societal injustice, down from 25 percent in 1976.

Young women in 1985 tended to be more lighthearted than their male counterparts, with more of an interest in fashion, travel, and the latest fads. Young men, on the other hand, took the honors in dissatisfaction and rebelliousness.

Thailand to install 20,000 public-call telephones in rural areas In an effort to stimulate rural development, the Thai government will install 20,000 public call telephones (PCOs) in stores and barber shops throughout rural Thailand. Based on the results of research conducted by the East-West Center, these radio telephones are expected to save the Thai economy hundreds of millions of dollars a year.

The economic benefits of local radio telephones are considerable, according to the East-West Center study. Based on villagers' estimates of the value they derived from making calls, EWC researchers developed cost-benefit ratios comparing the PCOs with more distant phones. The saving in travel time and money offered by PCOs doubled the cost-benefit ratio of making the call. Villagers made $9.63 for each dollar they spent on a PCO call, but only $4.84 for each dollar they spent to make a call on a phone at a distant location.

ASIA PACIFIC

In 1982, 85 percent of the world's nations had only 10 percent of the world's phones. Ninety percent of the world's 550 million telephones in 1982 were installed in 15 percent of the world's nations, according to Richard Butler of the International Telecommunication Union.

New Australian numbers With the results of the 1986 Australian Census not available until September 1987, the Australian Bureau of Statistics has released a preliminary estimate for the 1986 population of Australia based on the updated 1981 census.

At present, there are 15,973,900 Australians, 215,600 more than one year ago--a 1.4 percent increase over last year. Of the growth in the 12 months, 1985 to 1986, 57 percent was through natural increase (122,900) with overseas migration (92,700) contributing the remaining 43 percent.

The growth rate of 1.4 percent was higher than that of the previous 12 months (1.3 percent). This higher growth was completely attributable to increased gains from overseas migration, which rose from 74,800 in the year ending June 1985 to 92,700 in the 12 months ending in June 1986. This gain more than offset a small decline in natural increase.

During 1985, the populations of the Australian Capital Territory, Northern Territory, Western Australia and Queensland grew faster than the national average with increases of 4.3 percent, 2.9 percent, 2.3 percent, and 1.8 percent, respectively. New South Wales, Victoria, and Tasmania experienced growth rates in the range of 1 to 1.2 percent--below the national average. South Australia's growth rate remained low at 0.8 percent.

Where did most overseas migrants settle? The Australian Capital Territory, Western Australia, Queensland, and New South Wales were big favorites, while Victoria, Tasmania, the Northern Territory, and South Australia lost out. About 71 percent of population growth in the Australian Capital Territory in 1985 came from overseas migration; Western Australia and Queensland, 50 percent; New South Wales, 40 percent; Victoria, Tasmania, and the Northern Territory, 30 percent each; and South Australia, 11 percent.

Faithfulness top asset in women say West German men A Playboy magazine poll of 12,492 West German readers found that faithfulness and not taking drugs were their first picks for attributes of the ideal woman.

The ideal woman should not take hard drugs (96.2 percent), belong to a religious cult (83.7 percent), be unfaithful (72.9 percent), appear in a porno film (68.2 percent), shoplift in a supermarket (67.3 percent), drink (53.3 percent), or snore (46.5 percent).

EUROPE

What did they like? Women who liked to listen to music (80.7 percent), travel (70.9 percent), eat out (70.8 percent), and cook (66.1 percent). Surprisingly, German men did not want to rule the roost. Only 3.4 percent thought that men should have the last word. Most (86.7 percent) wanted to discuss matters with their partners.

More births but no baby boom in West Germany Last year was a good one for those government officials worried over low birthrates in West Germany. In 1986, there were 40,000 more births than in the previous year. According to preliminary statistics from the Federal Bureau of Statistics, there were 624,000 births in 1986. This marked the first time since 1982 that more than 600,000 children were born in a year.

Deaths still outnumbered births, however, continuing the West German trend of population decrease. Even with the rise in the number of births in 1986, the current birthrate will only yield 64 percent of each generation being replaced by the succeeding one.

In 1986, the West German fertility rate--the average number of live births per woman--was only 1.35 children per woman, well below the 2.2 births per woman needed to just replace the population.

The number of marriages in 1986 was 372,000 up 8,000 or 2.2 percent from 1985.

Please note June 3 as the date of our international session *at the 7th Annual Demographic Outlook Conference, sponsored by the American Demographics Institute on June 3 and 4 at the New York Hilton.*

Featured speaker will be Barbara Torrey, chief of the Center for International Research at the the U.S. Census Bureau and an economist formerly with the Office of Management and Budget. Ms. Torrey will talk about consumer expenditure surveys that are now available from many foreign nations, and Census Bureau plans to analyze the data and make them available. A user from a consumer goods company will discuss how his company uses demographic data to make decisions about market entry overseas.

People interested only in the international aspects of demographic data can register for just the June 3 session, which will be held from noon until 4:30 p.m. Participants are also invited to attend a vendors' exhibit and wine and cheese reception from 4:30 to 6:30 p.m. Those who register for the full two-day program can choose the international session.

publications

ATTENTION DIRECT MARKETERS: 1985 DEMOGRAPHIC DATA FOR CANADIAN POSTAL CODES NOW AVAILABLE

The latest data on Canadian taxfilers are now available in the new edition of *Urban FSA and Rural Postal Code Summary Data, 1985.* This is the only published reference tool with 1985 demographic data for postal codes.

The postal code breakdown offers a major convenience for direct-mail marketers, providing the most current, comprehensive small area data available.

Here is a sample of the valuable information presented in this volume. In H3Y, the Summit Hill area of Montreal, only 40 percent of the taxfilers are between the ages of 25 and 44. However, one in eight makes over $100,000 a year and against the national index, those in H3Y earn 105 percent more than their fellow Canadians.

Data are presented on large neighborhoods in all Canadian cities by forward sortation area (the first three digits of the postal code), and for rural neighborhoods by postal code. Data are cross-referenced by postal code and by place name.

Urban FSA and Rural Postal Code Summary Data is available in five editions--one national and four regional (Atlantic, Quebec, Ontario, Western provinces and territories). This data source is also available on tape and diskette.

To order, contact Publications Sales and Service, Statistics Canada, Ottawa, Ontario, K1A OT6; telephone (613) 993-7276.

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Consumer markets abroad

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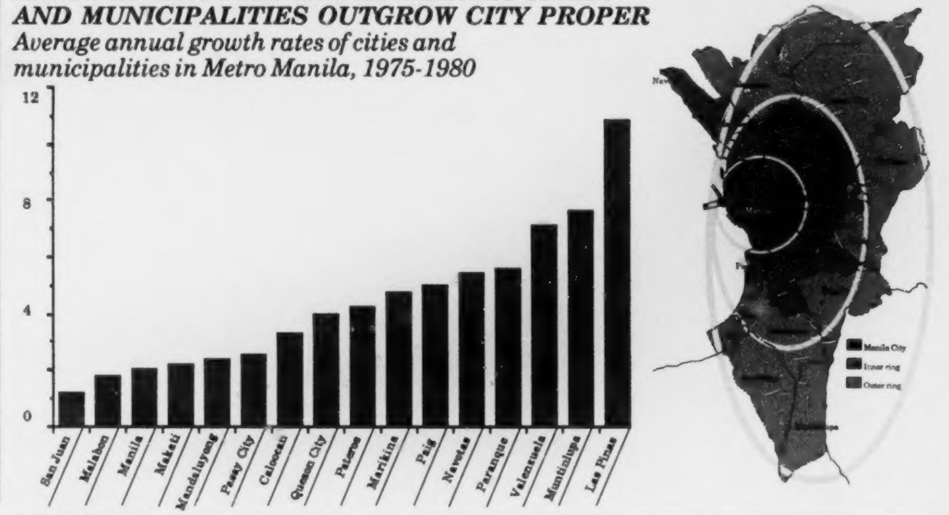
in depth

METRO MANILA: THE URBAN CHALLENGE

RINGS OF GROWTH: METRO MANILA CITIES AND MUNICIPALITIES OUTGROW CITY PROPER

Average annual growth rates of cities and municipalities in Metro Manila, 1975-1980



***M*etro Manila adds about 1 million people to its population every five years.**

*T*he Aquino government faces many challenges. Communist insurgency, quarreling ministers, and a faltering economy have all made headlines of late. But perhaps its most stubborn long-term challenge is to deal effectively with surging population growth in the Philippines. The newly ratified constitution dropped all provisions for state-sponsored population control, endorsing instead a people-as-a-resource-rather-than-a-burden attitude.

Metro Manila is the place where this challenge will first take place. Experts estimate that the Metro Manila economy must generate at least 450,000 new jobs a year just to accommodate new entrants. Providing such services as transport, water and sanitation, shelter, and communications for Metro Manila residents will continually hard press the already taxed skills, funds, and institutional capacities of the metropolitan government and its residents.

With only moderate economic growth forecast for the rest of the 1980s and continued low prices for such main Philippine exports as sugar, oil, and metal ores, the Metro economy will most likely only get to play catch-up ball at best in generating new jobs and urban services.

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 6 NUMBER 6 JUNE 1987

METRO MANILA DOMINATES THE NATION

Metro Manila is the commercial, industrial, financial, cultural, and administrative center of the Philippines, and the world's 23rd largest urban agglomeration. Accounting for about 40 percent of the GNP of the Philippines, Metro Manila is home to 90 of the country's 100 largest business corporations and 60 percent of all manufacturing firms. Because of high in-migration—Metro Manila draws more interregional migrants than any other area in the Philippines—and a healthy rate of natural increase, Metro Manila will be the world's 16th largest urban agglomeration by the year 2000, according to the United Nations.

Metro Manila accounts for about 12 percent of the Filipino population, now housing about 6.9 million people, according to government estimates. Experts predict that Metro Manila will continue to experience the surging population growth rate it recorded between 1980 and 1985 of about 3.4 percent annually and then decline to about 2 percent annually by the year 2000. Government estimates place the population in the year 2000 at between 9.5 and 10.1 million.

Metro Manila's population is primarily young, with 35 percent of its total population under age 15. Sixty-three percent of the population are between the ages of 15 and 64, with only 2 percent over age 65. Because of continued high fertility since the late 1950s—women commonly bear six children in their lifetimes—and the youth of most in-migrants, the population will remain young

Metro Manila's population is primarily young, with 35 percent of its total population under age 15.

OUTER-RING MUNICIPALITIES OUTGROW MANILA PROPER

Population and average annual rate of growth of cities and municipalities in Metro Manila, 1975-1980, and density, 1980

Jurisdiction	*Population (thousands)*		*Average annual rate of growth*	*Density (per hectare)*
	1975	*1980*	*1975–80*	*1980*
Metro Manila	4,970	5,926	3.6	93
Manila	1,479	1,630	2.0	425
Caloocan	397	468	3.3	84
Pasay City	255	288	2.5	206
Quezon City	957	1,166	4.0	70
Las Piñas	82	137	10.8	32
Makati	334	373	2.2	124
Malabon	175	191	1.8	81
Mandaluyong	182	205	2.4	81
Marikina	168	212	4.7	54
Muntinlupa	95	137	7.6	29
Navotas	97	126	5.4	485
Parañaque	159	209	5.6	54
Pasig	210	269	5.0	207
Pateros	33	40	4.2	40
San Juan	122	130	1.2	125
Taguig	74	134	12.7	40
Valenzuela	151	212	7.1	45

Source: Metro Manila Commission, Office of the Commissioner for Planning, Technical Paper 3, Development Trends (Manila, 1985).

Consumer markets abroad

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throughout this century. This will add relentless pressure to an already strained urban job and housing market as increasing numbers of youths enter their family-formation years. Rising numbers of school-age youth will also present a serious challenge to Metro Manila's school system. The 1980 school-age population of about 1.8 million students is expected to rise to about 3 million students by the year 2000.

Although poverty is widespread in Metro Manila, with about 60 percent of households officially below the poverty line of a paltry $120 a month for a family of six, Metro Manila still offers most interregional in-migrants a better life. Metro Manila's crude birth rate of 5.7 per 1,000 in 1980 is well below the national level of 8.7 per 1,000 even though nine out of the ten leading causes of death are preventable diseases. And Metro Manila has a high literacy rate of over 95 percent.

Many of Metro Manila's inmigrants settle in the provinces surrounding the Metro Manila area or in the outer-lying municipalities of the Metro Area. Between 1975 and 1980, 378,878 migrants—one-third of all interregional migrants in the Philippines—came to Metro Manila, with 204,778 leaving, mostly to resettle at the fringes of the Metro Area in the outlying provinces.

METRO MANILA GROWTH HEADS TO OUTLYING PROVINCES

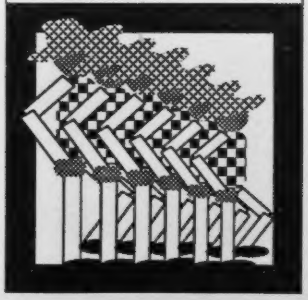
Metropolitan Manila officially includes the four cities of Manila, Quezon, Caloocan, and Pasay, and the thirteen municipalities of Makati, Navotas, Malabon, San Juan, Mandaluyong, Valenzuela, Marikina, Pasig, Muntinlupa, Parañaque, Las Piñas, Taguig, and Pateros. More than 60 percent of the population live in the densely populated inner ring area, made up of the four cities and first five municipalities of the preceding list (see map on page 1).

These municipalities and cities absorbed much of Metro Manila's in-migration during the 1960s. However, during the late 1970s and early 1980s, growth in these municipalities slowed, with the municipalities of the outer ring of Metro Manila taking up much of the slack (see table on page 2). Taguig nearly doubled in size between 1975 and 1980, growing at an average annual rate of 12.7 percent. Other fast growers between 1975 and 1980 included Parañaque (5.6 percent annually), Las Piñas (10.8 percent annually), Muntinlupa (7.6 percent annually), and Valenzuela (7.1 percent annually). Manila City's share of the total population of Metro Manila decreased from 46 percent in 1960 to 28 percent in 1980.

Most recently, the adjacent provinces of Metro Manila are increasingly becoming the destinations of Metro Manila's in-migrants and people moving out of the city's inner and outer rings. The 25 municipalities of these provinces grew at a combined rate of 6.3 percent annually between 1975 and 1980 due to cheaper land prices and government programs to resettle squatters (see table on page 5). Experts estimate that the combined population of Metro Manila and the 25 municipalities of the outlying provinces was about 8.6 million in 1985.

Bulacan Province's Marilao grew at about 11 percent annually between 1975 and 1980, while San José del Monte grew at about 9 percent annually during the same period. Rizal Province's Antipolo grew at a hefty 11.4 percent annually; Cainta, 9.8 percent annually; and Angono, 8.6 percent annually. Cavite Province's Dasmarinas

Poverty is widespread in Metro Manila, with about 60 percent of households officially below the poverty line of a paltry $120 a month for a family of six.



grew at an astounding 17.9 percent, while Bacoor grew at 7.8 percent annually.

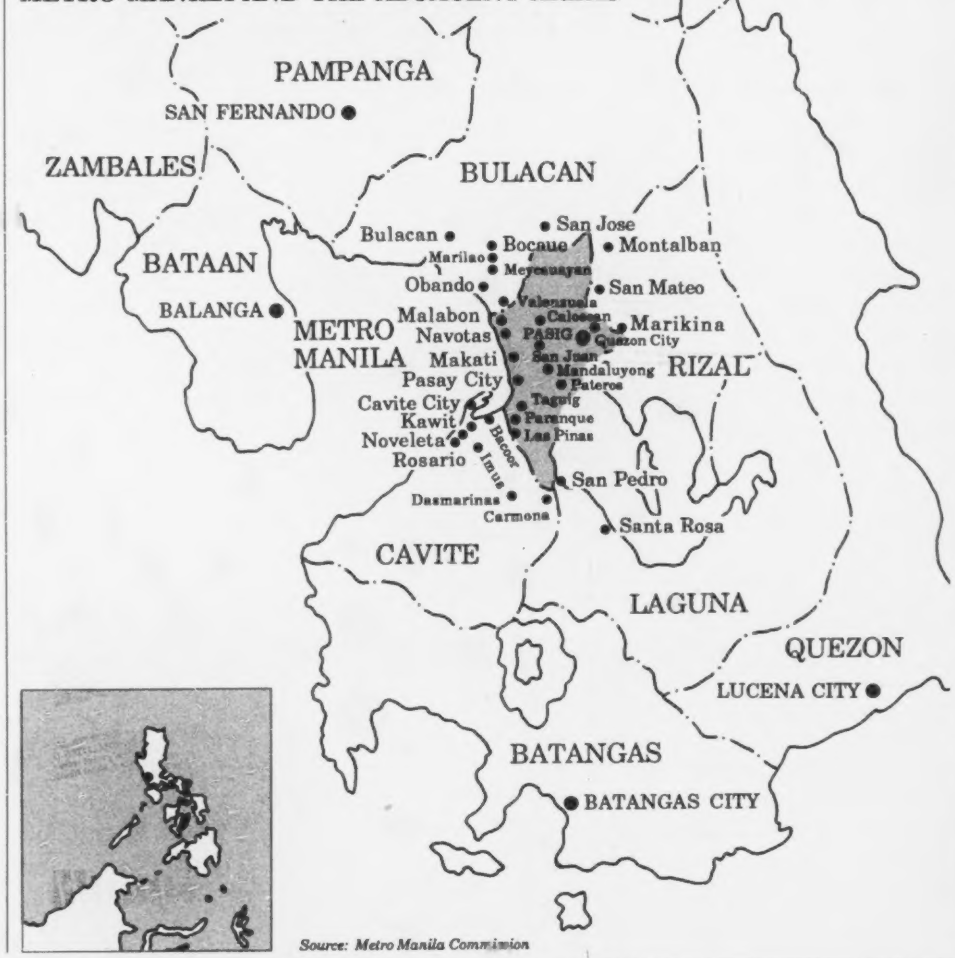
The older, central areas of the city have maintained a steady pace of population growth—about 2 percent annually over the last 20 years. This contrasts to the usual pattern of other large world cities in which the central business districts grow slowly or not at all.

Manila has retained much of its residential character due to the designation of Quezon City as the national capital in 1947. Many government offices and commercial establishments then relocated in the new capital—which grew at 11 percent annually between 1948 and 1960—and eventually to other areas. In the 1960s, the municipality of Makati gradually took over many of the commercial functions of the central core of Manila. Makati is now Metro Manila's primary home of major corporations, international banks, financial institutions, and hotel, shopping, and entertainment complexes. This municipality grew rapidly in the 1960s at an average annual rate of 8.7 percent, then slowed to 2.5 percent annually in the 1970s.

Private-sector expansion in the north, south, and east of the capital region has been fueled by highway development, while population-driven expansion has taken

The two major growth corridors—San Fernando/Angeles and Laguna/Batangas—lie along the major north/south highways.

METRO MANILA AND THE ADJACENT AREAS


PAMPANGA
SAN FERNANDO
ZAMBALES
BULACAN
Bulacan
San Jose
Bocaue
Montalban
Marilao
Meycauayan
Obando
San Mateo
BATAAN
Valenzuela
BALANGA
Malabon
Caloocan
Marikina
METRO MANILA
Navotas
PASIG
Quezon City
Makati
San Juan
Mandaluyong
RIZAL
Pasay City
Pateros
Taguig
Cavite City
Kawit
Paranque
Noveleta
Las Pinas
Bacoor
Rosario
Imus
San Pedro
Dasmarinas
Carmona
Santa Rosa
CAVITE
LAGUNA
QUEZON
LUCENA CITY
BATANGAS
BATANGAS CITY

Source: Metro Manila Commission

place in the northwest. The two major growth corridors—San Fernando/Angeles and Laguna/Batangas—lie along the major north/south highways. Since the mid 1970s, industrial expansion has spread northward to the Balintawak area and along the Quirino and MacArthur Highways. Industrial expansion along the South Super Highway and the Pamplona Road is less concentrated.

WHERE THE HAVE AND HAVE-NOTS LIVE

Manila shows a marked pattern of residential segregation by income. The poor are concentrated in Manila's central business district, spreading from there northwards to the city of Caloocan. The high-density municipality of Navotas contains the low-income community of Tondo. The better-off live to the south and south east—in Makati, the districts of Greenhills, San Juan, and Parañaque—and to the northeast in the district of Santa Mesa, the Quadrangle in Quezon City, in New Manila, and in the Marikina Valley.

STRONG ECONOMIC BASE HARD HIT BY DOWNTURN

Although Metro Manila has a strong economic base and higher than average levels of income, it has been particularly hard hit by

Manila shows a marked pattern of residential segregation by income.

METRO MANILA'S ADJACENT PROVINCES ABSORB NEW GROWTH

Population and average annual rate of growth of municipalities in Metro Manila's adjacent areas, 1975-1980, and density, 1980

Province	*Municipality*	*Population (thousands)*		*Average annual rate of growth*	*Density (per hectare)*
		1975	*1980*	*1975–80*	*1980*
Bulacan	Obando	32,378	39,618	4.1	8
	Meycauayan	60,225	83,579	6.8	39
	Marilao	21,017	35,069	10.8	10
	San José del Monte	59,021	90,732	9.0	4
	Bocaue	40,577	49,693	4.1	15
	Bulacan	28,361	34,920	4.3	5
Rizal	Montalban	31,176	41,859	6.1	1
	San Mateo	38,955	51,910	5.9	8
	Antipolo	40,944	68,912	11.0	2
	Cainta	36,971	59,025	9.8	58
	Taytay	58,274	75,328	5.3	19
	Cardona	21,266	24,503	2.9	8
	Angono	17,574	26,571	8.6	10
	Binangonan	63,215	80,980	5.1	11
Laguna	Biñan	67,444	83,684	4.4	19
	San Pedro	43,439	74,556	11.4	33
	Sta. Rosa	47,639	64,325	6.2	17
Cavite	Carmona	51,004	65,014	5.0	16
	Imus	48,566	59,103	4.0	7
	Bacoor	62,225	90,364	7.8	36
	Noveleta	12,141	14,460	3.6	26
	Cavite City	82,456	87,666	1.2	74
	Dasmariñas	22,805	51,894	17.9	6
	Kawit	33,813	39,368	3.1	29
	Rosario	28,725	33,312	3.0	93

Source: Metro Manila Commission, Office of the Commissioner for Planning, Technical Paper 3, Development Trends (Manila, 1985).

More of the family budget goes toward housing.

Household size is decreasing.

Real family income is on the decline.

New households are forming rapidly as large numbers of youth enter their family-formation years.

Most new housing is illegal and substandard.

the recent downturn in the national economy. Metro Manila is estimated to have absorbed about two thirds of the 44,000 layoffs in manufacturing nationwide in 1984.

The labor force participation rate has averaged around 54 percent annually in recent years. In 1984, 16.3 percent of the labor force were unemployed, with 43 percent of the labor force considered underemployed. The inability of a substantial proportion of the population to make a living wage has resulted in all the characteristics of urban poverty—makeshift housing, slum conditions, and inadequate health care.

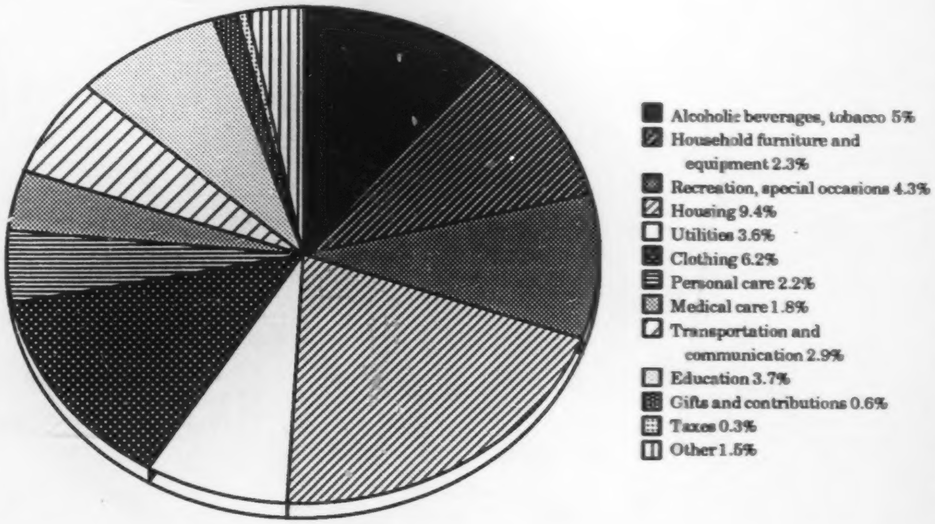
Chronic underemployment and worsening unemployment are ongoing problems for Metro Manila. Between 1985 and the year 2000, Metro Manila will have to generate an estimated 450,000 new jobs a year just to accommodate its rapidly expanding labor force.

Metro Manila employed about 45 percent of the nation's nonagricultural labor force in 1983, or about 2 million people. About 40 percent worked in industry, while 60 percent worked in services. In 1984, professional, technical, and related workers made up 12 percent of the labor force; administrative, executive, and managerial workers, 2.5 percent; clerical and related workers, 11 percent; sales workers, 13 percent; service workers, 20 percent; agricultural, animal husbandry and forestry workers, fishermen and hunters, 2 percent; production and related workers, 36 percent; and unclassified workers, 5 percent (total may not add to 100 percent due to rounding).

Industrial employment dominates in Taguig, accounting for 53 percent of all employment; Valenzuela, 51 percent; Muntinlupa, 50 percent; and Pateros, 50 percent. Quezon City accounts for the largest share of professional, technical, and related workers (16 percent), but generally service-sector workers are evenly distributed throughout the cities and munici-

WHAT THEY BOUGHT

Percentage distribution of total family expenditures by major expenditure group: 1971



Source: 1985 Family Income and Expenditures Survey, Philippines National Census and Statistics Office.

palities.

As in most cities of the developing world, manufacturing employment is giving way to service-sector employment. Between 1977 and 1983, the proportion of workers in industry declined from 43 to 38 percent of all Metro Manila workers. During the same period, service employment rose from 55 to 60 percent of the total.

However, the informal sector accounts for a large proportion of employment in the Metro Area. About 826,000 workers, or 37.5 percent of the labor force, were employed in the informal sector between 1977 and 1983.

FAMILY INCOME DECREASES BETWEEN 1971 AND 1985

Although average annual family income increased from 3,736 pesos to 30,748 pesos between 1971 and 1985, average family income in real terms decreased 265 pesos—from 3,736 pesos in 1971 to 3,471 pesos in 1985. The estimated total income of the 9.5 million Filipino families in 1985 was 294 billion pesos, representing a twelve-fold increase over the 24 billion pesos reported by the 6.3 million families in 1971.

Total expenditures of Filipino households in 1985 were 256 billion pesos. Median family income in 1985 was 19,993 pesos. Families living in Metro Manila and Central Luzon were the only Filipino families to beat out the national averages for family income land expenditure.

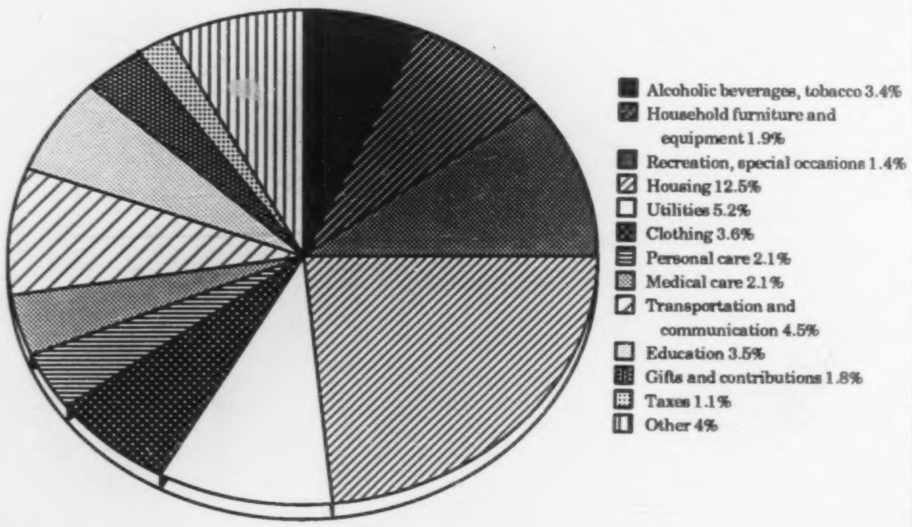
Households in 1985 were primarily dependent on entrepreneurial activities (41 percent) and wages and salaries (40 percent) for their main source of income. Most entrepreneurial families—55 percent—were engaged in crop farming and gardening. Eighteen percent were engaged in wholesaling and retailing.

About 6 percent of all Filipino families reported receiving assistance from Filipinos who work overseas. Over half a million Filipinos now work in 114 countries.

As in most cities of the developing world, manufacturing employment in Metro Manila is giving way to service-sector employment.

WHAT THEY BUY NOW

Percentage distribution of total family expenditures by major expenditure group: 1985



Source: 1985 Family Income and Expenditures Survey, Philippines National Census and Statistics Office

Expenditures on food still dominate the Filipino household budget, although they show a downward trend.

Expenditures on food still dominate the Filipino household budget, although they show a downward trend. In 1985 food expenditures accounted for 51.2 percent of household spending, down from 53.8 percent in 1961. Eating out gobbled up more of the Filipino family budget in 1985, accounting for 3.1 percent of food expenditures, up from 2.3 percent in 1961 and 2.7 percent in 1971. Cereal consumption was down over the same period with a corresponding rise in meat, dairy product, and egg consumption. Cereal consumption decreased from 20.2 percent of the total food budget in 1961 to 18.1 percent in 1985, while meat, dairy product, and egg consumption rose from 7.9 percent to 10.2 percent over the same period.

Over the past two decades, expenditures on housing took an increasing share of the family budget. In 1985, housing expenditures accounted for 12.5 percent of total household spending, up from 8.3 percent in 1961. Urban residents spent proportionally more than their rural counterparts for housing in 1985, with urban families spending about 16 percent of the family budget on housing, as compared to the 8.5 percent that rural families spent.

Transportation and communication expenditures also took an increasing share of the household budget, rising from 2.3 percent to 4.5 percent of total spending.

Spending on clothing, footwear, and other wear decreased over the last two decades, down from 7 percent of the family budget in 1961 to 3.6 percent of the budget in 1985. Spending on recreation also decreased, from 1.8 percent of the

INCOME INEQUALITY PLAGUES PHILIPPINES

Total number of families, total and average family income by income class, 1985

Income class	*Total number of families (in thousands)*	*Total income (in thousand pesos)*	*Average income (in pesos)*
Total	9,566	294,142,802	30,748
Under 2,000	15	23,728	1,549
2,000 and over	9,551	294,119,075	30,795
2,000-3,999	109	347,903	3,191
4,000-5,999	286	1,475,722	5,156
6,000-7,999	467	3,302,703	7,069
8,000-9,999	658	5,955,884	9,048
10,0000 and over	8,031	283,036,863	35,243
10,000-14,999	1,761	22,016,000	12,502
15,000-19,999	1,488	25,896,460	17,405
20,000 and over	4,782	235,124,403	49,169
20,000-29,999	1,843	45,104,353	24,470
30,000-39,999	1,036	35,726,158	34,482
40,000-59,999	983	47,590,409	48,413
60,000-99,999	593	44,617,626	75,241
100,000-249,999	284	40,634,304	143,319
250,000-499,999	34	11,217,160	332,488
500,000 and over	9	10,234,393	1,164,587
Median income (pesos)	—	19,993	—

Source: 1985 Family Income and Expenditures Survey, Philippines, National Census and Statistics Office.

household budget in 1961 to 0.5 percent in 1985.

HOUSEHOLD SIZE DECREASING

The dire need for adequate housing in Metro Manila cannot be overstated. At present, 60 percent of all new housing is illegal and substandard. Formal-sector housing is simply beyond the reach of most of Metro Manila's new families. And although government spending on housing rose from 260 million to 1.1 billion pesos between 1978 and 1983, public investment could not keep up with the pressing demands of new family formation and in-migration. Metro Manila's housing problems are likely to become more severe as future increases in public funding are not expected due to economic hard times and private residential construction will continue to service only the well-developed market.

Metro Manila has an inadequate sewerage and water supply system. At present, only 3.5 million of the nearly 7.5 million residents of Metro Manila get their water directly from the public water supply. Another 1.8 million get it indirectly from neighbors or vendors and privately owned pumps and wells. The World Bank in conjunction with the Metropolitan Waterworks and Sewerage System is currently funding extensive water supply development programs.

In 1980, Metro Manila had about 1.1 million dwellings, of which 66 percent were single units and nearly half of which were single rooms less than 30 square meters in area. A majority were occupied by renters.

Households in Metro Manila are decreasing in size. Average household size in 1980 was 5.4, down from 6 persons per household in 1975. This trend is expected to continue with average household size down to 4.4 persons per household in 1990.

SOURCES

The most up-to-date analysis of the demographics of Metro Manila is **Population Growth and Policies in Mega-Cities: Metro Manila,** published by the United Nations in 1986. One in a series of mega-city analyses prepared by the Population Division of the Department of International Economic and Social Affairs of the United Nations Secretariat, this publication examines in detail demographic trends, background information on the city's economic base, the spatial structure of the metropolitan region, and the sectoral and spatial distribution of jobs. Other topics include housing, urban land, the job market, transport, and the environment including air quality, the water supply, and sewerage treatment. Much attention is also given to current development schemes and future plans for managing urban growth.

For original sources, the best place to start is with the Metro Manila Commission (MMC), Office of the Commissioner for Planning. The MMC published fifteen technical papers in 1985 describing the characterisitcs of the Metro Area. Titles include *Metro Manila: Natural Opportunities and Constraints for Development; Population; Regional Economy; Employment; Income; Health; National and Regional Context; Land Use; Shelter Sector; Development Policy; Development Trends;* and *The Development of Metropolitan Manila's Administration.* The Commission on Population also publishes fact sheets on Metro Manila titled *Population Fact Sheets: National Capital Region.*

rankings

WORLD METRO AREAS—WHERE DOES MANILA FIT IN?

Fastest growing urban agglomerations in Asia between 1950 and 1980, according to the United Nations.

	Average annual growth rate 1950-1980
1. Seoul, Korea	6.8
2. Tehran, Islamic Republic of Iran	5.2
3. Jakarta, Indonesia	4.5
4. Damascus, Syrian Arab Republic	4.4
5. Manila, Philippines	**4.0**
6. Bangkok, Thailand	3.8
7. Hong Kong, Hong Kong	3.2
8. Singapore, Singapore	2.6

inside information

PHILIPPINE FAMILY INCOME DECLINES IN REAL TERMS

Despite the overall positive performance of the Philippine economy in the last decade—GDP grew at an annual rate of 2.3 percent, jumping from $18 billion to $26.6 billion between 1976 and 1986—recent years have not been good for the average Filipino. Due to declines in world prices for Philippine sugar and copper, the high price of servicing the overseas debt, a flight of capital, and a decline in both domestic and overseas investment, GDP growth, which averaged 5.1 percent annually during the 1960s and 6 percent annually during the 1970s, began its decline to 3.2 percent in 1983 and a disastrous –5.5 percent in 1984 and –0.1 percent in 1986.

At present, 60 percent of all Filipino households are considered below poverty level—officially set at a paltry $120 a month for a family of six—or are unable to meet basic needs. Demographic pressures, a struggling economy, and political instability exacerbate this picture.

Philippine mean family income has declined 46 percent in real terms since 1981. Per capita GNP in 1986 was only $660—down from a high of $775 in 1982—with income distribution remaining uneven. In 1986, the highest 20 percent of households garnered 50 percent of total income. However, some improvement is expected as the Aquino government begins the long struggle of attempting to equalize incomes, especially through land reform.

But the real fate of household income growth lies in the performance of the Philippine economy, an economy that reflects the uncertainty of the just over one-year-old Corazon Aquino government. Experts remain tentative about how well it will do in 1987. Pessimists look at two years of contraction totaling nearly 10 percent and predict more of the same. Optimists see a 6 percent expansion in both 1987 and 1988. More moderate economists quoted in *The AsianWall Street Journal* predict a 2.7 percent growth rate in 1987.

With the ratification of the new 1986 constitution and the attendant hope for a sustained period of stability, the Aquino govenment may be able to draw in new foreign investment. But no one expects the sustained spectacular growth of the 1970s to repeat itself again in the 1980s.

Experts see relief from the country's foreign debt as the way to get the economy rolling again. The Philippines must cope with its most troublesome $26 billion overseas debt, which absorbs 40 percent of its export earnings. This debt has been frozen since 1983, with no repayments made on the principal since November of 1983. Some progress in rescheduling payments has already been made, however. Finance Minister Mr. Jaime Ongpin secured easier repayment terms for $870 million worth of debt from French bankers in January 1987.

The Philippines may have to settle for moderate growth or no growth at all for the next few years. World prices for its main exports—coconut oil, sugar, and metal ores—have fallen. Trade with the U.S. was flat in 1986. The U.S. buys 35 percent of Philippine exports and provides 25 percent of its imports. Rising gold prices are helping some mining companies, but other commodity prices are not expected to rise.

New industry is badly needed, but local investors are reluctant to diversify into new areas of business. The government wants to spend heavily to spur the economy by building roads, bridges, schools, and irrigation systems to the tune of $190 million.

The real fate of household income growth lies in the performance of the Philippine economy, an economy that reflects the uncertainty of the just over one-year-old Corazon Aquino government.

what the numbers mean

POPULATION CONTROL IN THE PHILIPPINES

Governmental intervention in family affairs in the Philippines is a thing of the past. The Philippine government has abandoned its 1973 constitutional commitment to controlling population. Aquino herself led the fight to ban family planning from the recently ratified 1986 constitution, arguing that it is a basic human right for parents to have the number of children they desire. The problem in the Philippines, according to Social Services Minister Mita Pardo de Tavera, is not overpopulation but an inequitable economic structure.

The issue at hand in the Philippines as well as in many nations in the developing world is whether people are a resource or a burden. The widely held belief that population growth slows economic development is coming under increasing scrutiny. Proponents of the wealth-in-numbers view of population growth see the economic and political system of a particular country, not population growth, as the central issue.

A study conducted by Nobel laureate economist Simon Kuznets argues that faster population growth is not associated with slower economic growth. According to Julian Simon, author of *The Economics of Population Growth* and *The Ultimate Resource,* "it is the economic level that influences the rate of population growth, not the reverse. Costs and benefits of having children change with the shift from rural to urban living along with increases in education and shifts in attitudes—this being the famous demographic transition."

Proponents of the wealth-in-numbers view of economic growth cite such countries as Thailand, Malaysia, Ecuador, Jordan, Brazil, Mexico, Syria, Panama, Taiwan, South Korea, Singapore, and Hong Kong as examples of countries which have experienced rapid population growth and rapidly rising per capita income levels.

The question for the Philippines, however, is just how fast it can spur its economy in order to provide jobs and housing for its burgeoning population. The population of the Philippines has about tripled since 1948, making it the world's 17th most populous nation and the 8th most populous nation in Asia. Family planning, which increased substantially in the 1970s, stalled in the 1980s. The 1983 National Demographic Survey found the National Population Program unable to cope with the increasing numbers of women entering their childbearing ages.

In 1975, the average number of lifetime births stood at 5.2 per woman. Fertility declined to 4.7 children per woman in 1986, but because of continued high fertility, the population will continue to grow rapidly, from 59.8 million in 1986 to 85.5 million in the year 2000 and 107 million in 2010, placing unrelenting demographic pressures on the country. Fertility should decline to about 4.1 births per woman by the year 2000.

A major source of concern is the pressure for urban jobs and housing as the disproportionately large group of Filipino youth enter their childbearing years. At present about 41 percent of the population are under 15. More important for short-term job market expansion is the 20 percent of the total Filipino population aged 15-24.

Adequately employing the growing numbers of those just entering the labor force is a major task for the struggling Filipino economy. In just 14 years, the 30 million people over age 15—of which 19 million are in the labor force—will swell to about 47 million, with an estimated labor force of almost 32 million. Providing an additional 13 million jobs in a short 14-year span when the current 19 million workers are not yet adequately employed is an unreachable goal.

Proponents of *supply-side demographics* increasingly challenge the belief that population growth impedes economic progress. Are people a resource or a burden? Aquino's new constitution voted squarely on the side of those who believe in wealth in numbers.

special report

THE SENIORS BOOM IN CANADA

Growth of the senior population in Canada is outpacing that of the total population. Between 1981 and 1991, those aged 65 and over will increase at an average annual rate of 3 percent, as compared to 1 percent for the entire population. About 2.7 million Canadians are now over age 64. By the year 2000, Canada's seniors will number close to 4 million people.

This trend is one that will not go away. Experts predict that the growth rate for Canadian seniors will slow to about 2 percent annually in the 1990s and the first decade of the 21st century and then accelerate rapidly as the baby boomers start to totter towards advanced age.

With the tip of the baby boom generation—those born between 1946 and 1966—entering their twilight years in the second decade of the 21st century, Canada will gray at an increasingly rapid speed. Because of the size of the baby boom, one in every five Canadians in 2021 will be aged 65 or over.

In the next 45 years, the number of Canadian oldsters will triple, reaching 7.5 million in 2031. The number of very old will also grow rapidly, and, in fact, will show the greatest growth rate in the 1980s—about 3.5 percent annually for Canadians aged 75 and over. The group of those aged 75 and over will triple in size to about 1 million by 2031. Those aged 85 and over will go from 224,000 to about 750,000. The very, very old—those aged 85 and over—will grow at the rapid rate of 4 percent annually in the 1990s.

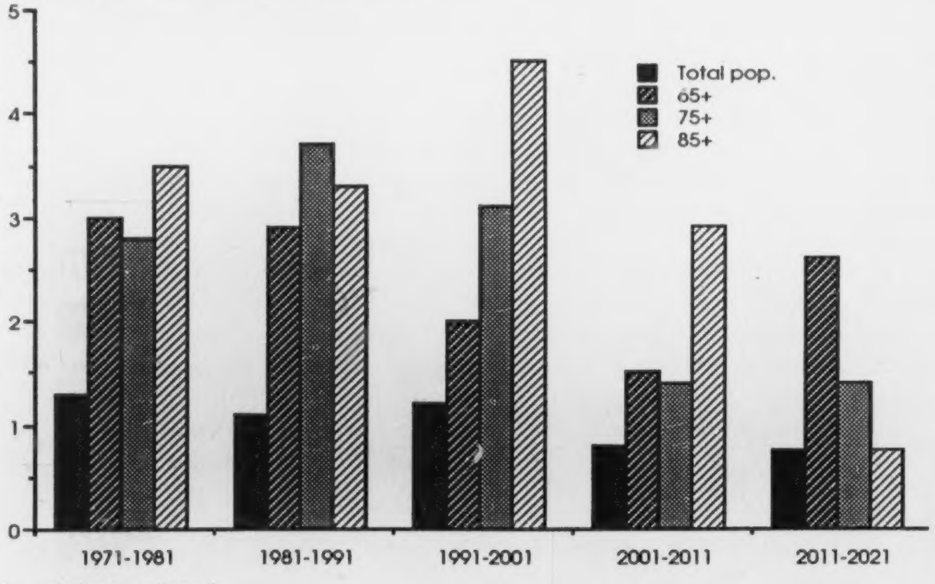
THE MATURE MARKET

Changes lie ahead in the purchasing behavior of mature households as the more educated, more moneyed, middle-aged people enter the ranks of the elderly. Increasing

With the tip of the baby boom generation—those born between 1946 and 1966—entering their twilight years in the second decade of the 21st century, Canada will gray at an increasingly rapid speed.

GROWTH OF CANADIAN SENIOR POPULATION OUTPACES TOTAL POPULATION

Average annual growth rates for selected age groups, Canada: 1971-81 to 2011-21



Source: Statistics Canada

incomes and rising levels of education should bring consumption patterns more into line with those of younger consumers.

Aging takes on particular significance in light of the fact that age and income are the two most important demographic characteristics in determining what a person will buy. Income trends are vital in understanding the market potential of the graying market. Factors such as whether or not persons must finance their retirement, the need for sheltered housing, health care costs, and the level of government social security and support service expenditures need to be considered when looking at these markets.

GRAYING CANADIANS GET HEALTHY

Watching the activity trends of graying Canadians can tell a lot about what kinds of leisure, health, and recreational items they will be purchasing later in life. Baby-boomer purchasing behavior and activity trends are particularly worth watching as they will make up the bulk of the elderly in the 21st century.

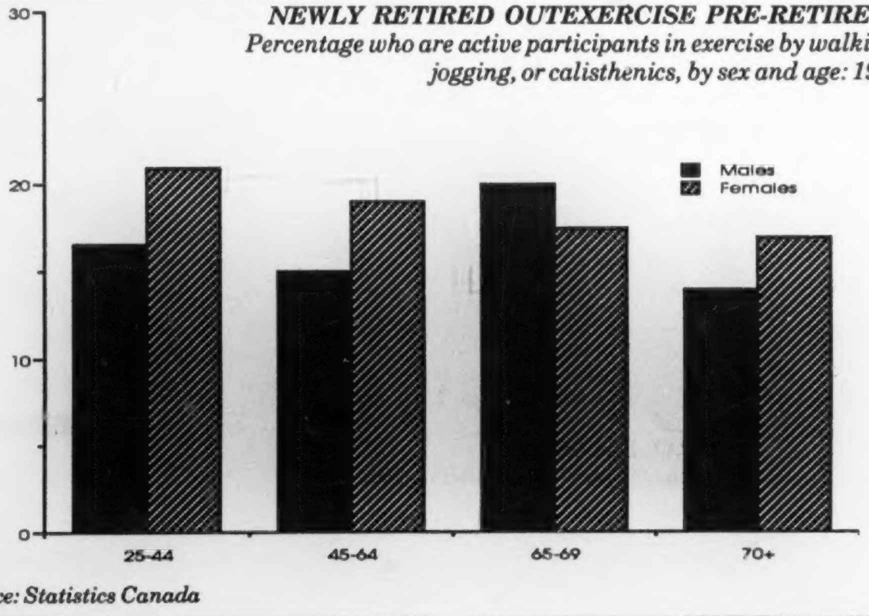
Graying Canadians are increasingly taking to regular exercise—more so even than their younger counterparts. Between 1976 and 1981, the proportion of able-bodied seniors exercising regularly grew from 50 percent to 60 percent, according to the Canada Fitness Survey. This increase was greater for seniors than for any other age group.

In fact, more of the newly retired—those aged 65 to 69—actively engaged in exercise than those in the pre-retirement years of 45 to 64 (see accompanying bar chart). And this included all Canadians aged 65 to 69, not only able-bodied seniors. As the chart shows, the proportion of those who exercised regularly decreased from the age group 25 to 44 to that of 45 to 64 and then increased slightly to that of 65 to 69.

Baby-boomer purchasing behavior and activity trends are particularly worth watching as baby boomers will make up the bulk of the elderly in the 21st century.

Source: These and other findings about the Canadian seniors boom are presented in an innovative chart book produced by Statistics Canada. See the back page for further details about this valuable source book on graying Canadians.

NEWLY RETIRED OUTEXERCISE PRE-RETIREES
Percentage who are active participants in exercise by walking, jogging, or calisthenics, by sex and age: 1981



Source: Statistics Canada

CANADA,
MALAYSIA,
INDONESIA,
BRAZIL,
WEST
GERMANY

Canada spends more on education Canada will spend $34.6 billion (in current Canadian dollars) in 1986-87, up from $15.1 billion in 1976-77. This represents a 4.7 percent increase over last year. Last year's expenditure represented 7.3 percent of the GNP, down from an all-time high of 9 percent in 1970-71, however.

NORTH
AMERICA

Other education trends include a leveling off of declining elementary enrollments, which began in the 1970s, and a leveling off of increasing enrollments in community colleges at 319,400 students, while full-time university enrollments were expected to continue to rise by 0.6 percent to 470,300 in 1986.

An estimated 102,300 bachelor's and first professional degrees were granted by universities in 1986 (19,000 more than in 1976), 15,500 master's degrees (3,900 more than in 1976), and about 2,070 doctorates (380 more than in 1976).

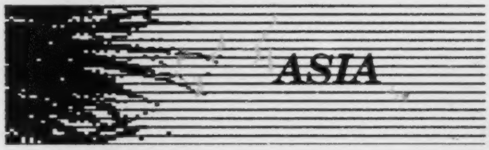
For more on education in Canada, order *Advance Statistics of Education 1986-87* ($15 Canadian) by contacting Edith Rechnitzer at (613) 990-9167.

Part-time employment takes off in Canada Since 1981, the number of part-time employees in Canada who want to work full-time has grown significantly. These "involuntary" part-time workers topped half a million in 1985, compared to 109,000 in 1975.

Most involuntary part-time workers are women aged 25 to 54 and youth aged 15 to 24. About 7 of every 1000 community, business, and personal service workers are involuntary part-timers, as compared to only one in every 100 manufacturing workers.

For more information, contact the Labor and Household Surveys Analysis Division of Statistics Canada at (613) 991-4624.

Malaysian household income increases Average monthly household income in Malaysia was M$723 in 1984, up from M$166 in 1970, according to the *1985 Yearbook of Statistics* published by the Malaysian Department of Statistics. Average monthly income grew by 11.1 percent annually during this period.



Urban-income growth outpaced rural-income growth, however. Between 1970 and 1984, average monthly income in urban areas increased from M$265 to M$1,027, while rural-area income increased from M$139 to M$596 over the same period.

At constant 1970 prices, the gain was smaller, however. Average monthly household income increased 4.6 percent annually, from M$166 to M$326 between 1970 and 1984.

Jakarta cuts back transmigration program Budgetary problems are scaling down Indonesia's controversial transmigration program—a program that moves volunteers from overcrowded Java to sparsely settled Irian Jaya. Controversy stems from charges that transmigration destroys the traditional Melanesian tribal culture, destroys rain forest, and creates a Javanese buffer zone with Papua New Guinea. But for dirt-poor Javanese farmers it is a way out of intense poverty and hopelessness.

The 1987-88 Indonesian budget, which slashes program funding by 66 percent, leaves the World Bank as a major contributor of funds for the transmigration program. The World Bank will fund about 45 percent of the program. Last year's budget also cut the program—by 44 percent.

Because of these cuts, the program will fall short of moving the 750,000 projected transmigrant families, a total of about 3.4 million people. New estimates call for moving 1,000 new families in 1987-88, lowering the actual count of transmigrant families to about 600,000.

So far—halfway into the five-year 1984-89 plan—22,000 families (about 100,000 people) have been moved.

Source: The Asian Wall Street Journal, March 9, 1987

SOUTH AMERICA

Brazilians having fewer babies

Results of the 1986 National Survey of Maternal/Child Health and Family Planning turned up a surprise for pronatalist Brazil—for all Brazilian women aged 15 to 44, the total fertility rate fell about 1 child per family to 3.1 lifetime births. And all this without any government intervention in family planning.

These findings confirm the pronatalist view that women tend to have fewer children as their socioeconomic circumstances improve. Brazil has long believed, as the Malaysians do, that people are a resource, not a burden.

The survey also found that 65 percent of currently married women or those in consensual unions used contraceptives. Contraceptive use was higher for urban than rural women and among more educated women.

The population will continue to grow however due to a falling deathrate. Brazil now has about 140 million people.

Source: Population Today, March 1987

Germans see talks with friends and being outdoors best ways to reduce stress Move over jogging and running, old values are back. In a poll commissioned by an American advertising firm, reading and sports were way down the list in the ways Germans fight stress. Talks with friends and family topped the list, with being outdoors the second most popular technique of combatting stress.

Stress was up, however, with 34 percent of respondents feeling more stress in their lives, 41 percent feeling just as much, and 23 percent feeling less stress than five years ago.

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publications

NEW FROM CANADA

The Seniors Boom: Dramatic Increases in Longevity and Prospects for Better Health, by Leroy O. Stone and Susan Fletcher, Statistics Canada, Ottawa, Canada, 48 pp., $US 10.95. Order from Publications Sales at (613) 993-7276 or write Publication Sales, Statistics Canada, Ottawa, K1A OT6.

Not only are Canadian seniors living longer, but they are improving their health practices. Thus, Canadian seniors should not only live longer but enjoy a more active life as well.

These and other aspects of growing old in Canada are reported on in *The Seniors Boom,* Statistics Canada's new book on aging. It charts the latest projections of what will happen as the baby boomers pass through their senior years, as well as exploring aspects of lifestyles that appear to promote better health among the elderly.

The chartbook format of this publication makes for easy understanding of aging trends, presenting data graphically with an accompanying textual analysis. A great volume of heterogeneous detail is presented attractively and as clearly as feasible without distorting facts.

If you're interested in Canada, don't miss this most informative and readily-understandable demographic analysis of graying Canada.

Another title offered by Statistics Canada is:

Women's Work Interruptions: Results from the 1984 Family History Survey by Patricia Robinson.

For further information, contact the Housing, Family and Social Statistics Division of Statistics Canada at (613) 991-2542.

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IN DEPTH / BELO HORIZONTE P. 1 RANKINGS P. 15
INSIDE INFORMATION P. 14
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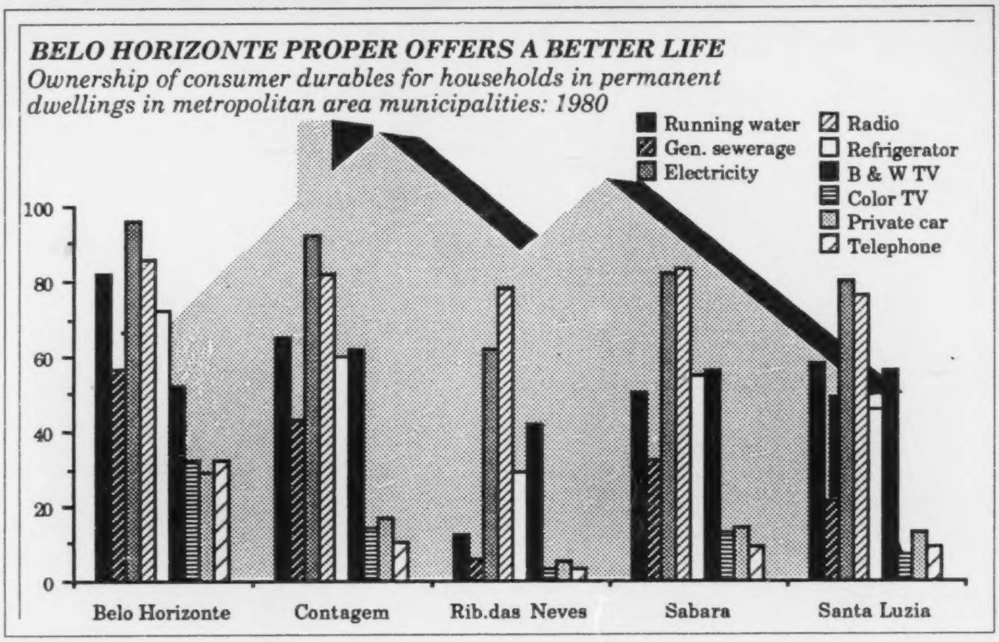
in depth

BRAZIL'S OTHER CITY: BELO HORIZONTE

Belo Horizonte is the second fastest growing metropolitan area in Brazil.



BELO HORIZONTE PROPER OFFERS A BETTER LIFE

Ownership of consumer durables for households in permanent dwellings in metropolitan area municipalities: 1980

If Sao Paulo is Brazil's shiny locomotive and Rio de Janeiro the carriage where they are having a party, Belo Horizonte is one of the coal cars. An industrial city, Belo Horizonte shares little of the glamour of its larger companions, but, nevertheless, is the second fastest growing metropolitan area in Brazil, after Curitiba, the capital of the southern state of Parana.

With an estimated 3.12 million residents in 1985—up from 2.5 million in 1980—Belo Horizonte is Brazil's third largest urban agglomeration, after Sao Paulo and Rio de Janeiro, and Latin America's ninth largest metro area. With continued high growth rates projected for this thriving city, population projections by the Metropolitan Planning Board (PLAMBEL) peg the total metropolitan population at 3.75 million in 1990, and at 4.34 million in 1995.

CITIES AND NEIGHBORHOODS

The urban agglomeration of Belo Horizonte encompasses the municipalities of Belo Horizonte, Contagem, and Betim, as well as parts of Ibirite, Ribeirao das Neves, Sabara, Santa Luzia, and Vespasiano. In 1981, it extended over an area of 160 square miles, or 11.2 percent of the metropolitan area, concentrating almost 88 percent of

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 6 NUMBER 7 JULY 1987

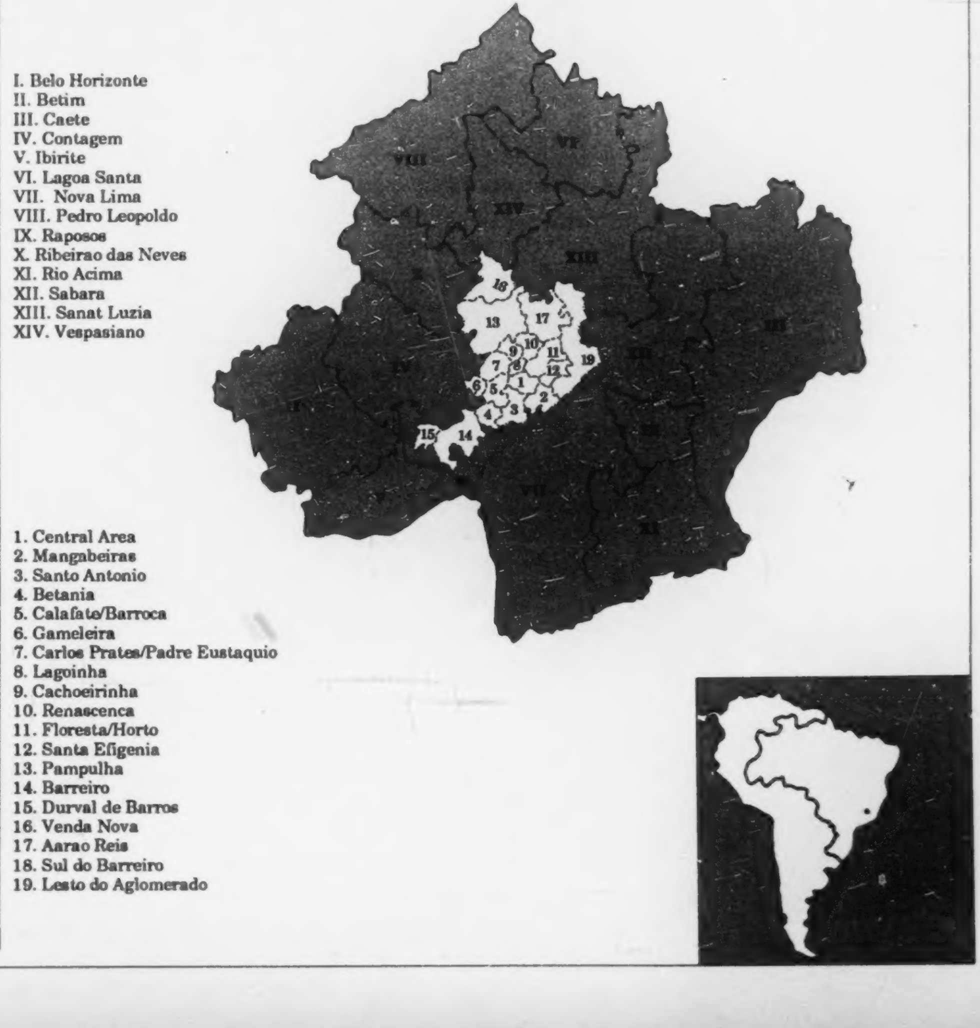
***Of* the largest 100 non-financial corporations in Minas Gerais, 54 have their headquarters in Belo Horizonte.**

its population. The other, more distant, municipalities that make up the metropolitan area are Caete, Lagoa Santa, Nova Lima, Pedro Leopoldo, Raposos, and Rio Acima.

The geographic division used by the Brazilian Census Bureau (Fundacao IBGE) is the so-called micro-region. Apart from Belo Horizonte proper and the 13 other municipalities of the metropolitan area, the micro-region of Belo Horizonte contains six additional municipalities: Capim Branco (1980 population: 4,930), Esmeraldas (16,206), Jose de Melo (4,074), Matozinhos (16,198), Prudente de Morais (4,229), and Taquaracu de Minas (3,457).

Of these, Esmeraldas and Matozinhos, which lie to the northwest, are influenced particularly by the metropolitan area, especially in regards to real estate speculation and commuter workforce. To the west, Mateus Leme, Igarape, Brumadinho, Itauna, and Bonfim are some other municipalities under the influence of the metropolitan area which, among other things, draws much of its drinking water

THE METROPOLITAN AREA OF BELO HORIZONTE
Municipalities and functional areas



I. Belo Horizonte
II. Betim
III. Caete
IV. Contagem
V. Ibirite
VI. Lagoa Santa
VII. Nova Lima
VIII. Pedro Leopoldo
IX. Raposos
X. Ribeirao das Neves
XI. Rio Acima
XII. Sabara
XIII. Sanat Luzia
XIV. Vespasiano

1. Central Area
2. Mangabeiras
3. Santo Antonio
4. Betania
5. Calafate/Barroca
6. Gameleira
7. Carlos Prates/Padre Eustaquio
8. Lagoinha
9. Cachoeirinha
10. Renascenca
11. Floresta/Horto
12. Santa Efigenia
13. Pampulha
14. Barreiro
15. Durval de Barros
16. Venda Nova
17. Aarao Reis
18. Sul do Barreiro
19. Lesto do Aglomerado

*C*onsumer markets abroad

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from this area.

In 1980, the state of Minas Gerais accounted for 20.6 percent of Brazil's metal industry, as well as for 14.9 percent of the national production of non-metallic minerals (especially cement), and 14.1 percent of the tobacco processing. The processing of several kinds of semi-precious stones, for which Minas Gerais is renowned, is another industrial activity of some importance. Of the largest 100 non-financial corporations in Mi-

RAPID EXPANSION OF THE BELO HORIZONTE METRO AREA

Municipalities of the metropolitan area of Belo Horizonte and neighborhoods of the Central Municipality, with their total populations and population density (1980) and growth rates (1970-80)

municipality	*population in 1980*	*population density in 1980 (per square mile)*	*annual rate of population growth 1970-80*
Belo Horizonte	1,780,855	13,762	3.7%
Betim	84,183	580	8.3
Caete	30,634	150	2.0
Contagem	280,477	4,348	9.7
Ibirite	39,970	714	7.4
Lagoa Santa	19,508	180	3.3
Nova Lima	41,223	260	1.9
Pedro Leopoldo	29,999	257	3.8
Raposos	11,810	397	1.5
Ribeirao das Neves	67,257	1,109	21.4
Rio Acima	5,069	58	-0.1
Sabara	64,204	811	3.6
Santa Luzia	59,892	455	9.0
Vespasiano	25,049	559	7.3
neighborhood			
Aarao Reis	168,816	21,340	7.9%
Barreiro	132,329	12,430	7.8
Betania	32,546	10,007	10.9
Cachoeirinha	67,449	26,417	0.9
Calafate/Barroca	115,829	29,897	1.3
Carlos Prates/Padre Eustaquio	106,511	25,298	0.2
Central Area	83,585	27,850	-1.4
Durval de Barros	45,807	15,401	11.5
Floresta/Horto	170,062	30,831	1.1
Gameleira	37,144	18,109	1.8
Lagoinha	48,305	37,330	-0.4
Leste do Aglomerado	396	22	—
Mangabeiras	92,714	20,153	3.4
Pampulha	97,717	5,167	6.4
Renascenca	80,500	22,457	2.1
Santa Efigenia	99,122	33,899	1.9
Santo Antonio	79,810	15,115	3.7
Sul do Barreiro	—	—	—
Venda Nova	121,107	20,008	12.0

Sources: Fundacao IBGE, Censo Demografico, 1970 and 1980; Minas Gerais, Anuario Estatistico, 1982; PLAMBEL, RMBH: Populacao Observada e Estimada, 1986

About 30 percent of the families living in the Zona Sul area have family incomes of over 20 times the legal minimum wage (which is about $US 60 per month).

nas Gerais, 54 have their headquarters in Belo Horizonte, 11 in Contagem, and 6 elsewhere in the metropolitan area.

The southern portion of the metropolitan area is part of the so-called iron belt, with geological conditions favorable to mining. The Morro Velho gold mine in Nova Lima was opened by a British firm in 1834, but was sold to its present Brazilian owners in 1959.

Iron mining is one of the most important economic activities in the state of Minas Gerais. The exploration of iron ore on the slopes of the Serra do Curral, started during the early 1970s, so disfigures the Belo Horizonte skyline that Carlos Drumond de Andrade, Brazil's foremost poet and a native *mineiro,* once referred to the city as Triste Horizonte (Sad Horizon). Mining is also of some importance in the municipalities of Sabara and Raposos. Vespasiano, Pedro Leopoldo, and Sete Lagoas, although not part of the iron belt, are important because of their quarries, which provide much of the raw material for the cement industry of Contagem. Santa Luzia has a traditional importance as an agricultural area, along with some gold panning and mineral extraction. Since the 1950s it has also become the location of several more modern industries, mostly for the fabrication of intermediate goods, through the formation of industrial districts. Sabara was an important trading center during the 18th century, the heyday of the gold rush which led to the mass settlement of Minas Gerais. Today, it is one of Minas' historical cities, famous for its churches and other works of art.

Caete and Pedro Leopoldo are the municipalities least affected by the growth of the metropolitan area. Even today, they maintain some rural characteristics, complemented by their own autonomous urban activities, like the Ferro Brasileiro company in Caete and the Caua cement factory in Pedro Leopoldo.

WHERE THE HAVES AND HAVE-NOTS LIVE IN THE CITY PROPER

The Central Area of Belo Horizonte (see map on page 2) contains 28.7 percent of all establishments and 66.2 percent of all employment in commerce and services. The service and commercial sector in the neighborhood of the bus station and the intersection of Avenida Afonso Pena and Avenida Amazonas is generally of low quality. The more sophisticated establishments are located in the southern part of the center, in the neighborhood of Savassi. From 1970 until 1980, the center lost population as it was gradually taken over by business. Since 1980, however, this trend has turned around because of the construction of several new high rise apartment buildings.

To the south of the city center is the "Zona Sul," with the fashionable neighborhoods of Serra, Santo Antonio, Mangabeiras, and Belvedere. As many as 30 percent of the families in this area have family incomes of over 20 times the legal minimum wage (which is about $US 60 per month), with the highest average (29.6) in Belvedere. Catering to the needs of the upper middle class, the city's only shopping mall is also located in this area.

The lower-middle class lives predominantly in the areas to the west and north of the center. Calafate, Barroca, and Gameleira are neighborhoods of this kind, marked by the Avenida Amazonas, the major throughway to the industrial districts further west. The campus of the Catholic University of Minas Gerais is located in Gameleira. Betania is a poorer area, but due to its proximity to the "Zona Sul," it is gradually being invaded by upper-income residential construction, which is the major reason why average incomes in this area have been on the rise.

Further north, Carlos Prates, Padre Eustaquio, Lagoinha, Cachoeirinha, Floresta, Horto, and Renascenca are traditional working-class neighborhoods which have now become predominantly middle class. Some, like Carlos Prates and Cachoeirinha, have some traditional industries, like textiles and clothing, beverages, and furniture.

Although population mobility in most of these areas is high, only Lagoinha, Floresta, Horto, and Renascenca are undergoing major structural changes. Lagoinha is a somewhat run-down district mostly characterized by low-grade service activities. It contains the bus station and its surrounding road system, which has been subject to major infrastructural modifications in recent years.

Floresta, Horto, and Renascenca are changing in terms of their social environment. The neighborhood of Cidade Nova, in the Renascenca area, has become the scene of significant residential development for the upper-middle class. Likewise, other neighborhoods in this general area are being upgraded with newly constructed upper-middle-income apartment buildings. Santa Efigania, on the eastern fringe, close to the mountains, is a lower-middle-class neighborhood, interspersed with several slum areas.

The suburb of Pampulha is largely a creation of Juscelino Kubitschek, who was mayor of Belo Horizonte from 1940 until 1945 and later became famous as the Brazilian president who built Brasilia. Among other things, he paved all existing streets and constructed the dam which led to the formation of the Pampulha lake. On the banks of this lake, along with the upper-income residences, several architecturally interesting buildings were constructed, such as the renowned Chapel of Sao Francisco de Assis, a creation of Oscar Niemeyer, who later became the architect of Brasilia. In the 1950s, the Federal University of Minas Gerais began to locate its campus here. More recently, the "Mineirao," Belo Horizonte's soccer stadium, was constructed by the lakeside. The airport of Pampulha has been largely deactivated since the inauguration of the Tancredo Neves international airport, up north, in the Confins district of Lagoa Santa. It now only receives some local flights and shuttle services to Sao Paulo and Rio de Janeiro.

THE BROADER PICTURE— ECONOMICS OF THE METRO AREA

Much of the industrial potential of the metropolitan area is concentrated in the industrial zones to the west, particularly in the Barreiro area of Belo Horizonte, in Contagem, and Betim. Together with the neighboring municipality of Ibirite and the Durval de Barros area, on the border between Belo Horizonte and Ibirite, this larger region accounts for 20.8 percent of all industrial establishments and 51 percent of all manufacturing jobs in the Metropolitan region.

Most of the firms are large, like the Mannesmann steel industry in

Carlos Prates, Padre Eustaquio, Lagoinha, Cachoeirinha, Floresta, Horto, and Renascenca are traditional working-class neighborhoods which have now become predominantly middle class.

Continued strong population growth

More households with running water and sewerage

Explosive growth to continue in outskirts

Barreiro and the Belgo-Mineira steel plant in Contagem. Among its 500 firms, Contagem counts major food, textile, machinery, and electrical equipment industries. Next to the steel mills, the Itau cement factory produces a good deal of the pollution for which Contagem has a bad reputation.

Betim is important as the location of the Fiat automobile factory, built in the 1970s, and the Gabriel Passos refinery, created in 1967, which is linked to the port of Rio de Janeiro by means of a 225 mile-long pipeline. Durval de Barros and Ibirite have little economic activity of their own and are mostly dormitory towns for the industrial workers of Contagem and Betim.

Until the 1960s, the western section of the metropolitan area was quite poor and deficient in terms of infrastructure. Even today, most of its population should be classified as working class, with family incomes that rarely exceed $US 300, or five times the minimum wage of $US 60 per month. In Betim and Ibirite, the average is even lower.

However, urban infrastructure in some areas, notably in Contagem, has benefited greatly from the 1967 tax reform, which strengthened the local tax base of the municipalities. Consequently, areas like the Riacho district in Contagem now have some amenities catering to local managers and administrators that used to be found only in Belo Horizonte. The present governor of Minas Gerais, Newton Cardoso, made his political career as the mayor of Contagem by pushing public works projects, like paving roads and building low-income housing.

The poorest region within the metropolitan area is made up of a series of dispersed settlements in the northern periphery which together make up nearly 25 percent of its population. This is also one of the most rapidly growing areas, with an average annual increase of 10.2 percent during the 1970s. Its various components—Ressaca (literally "Hang-over") and Nacional, on the border between Belo Horizonte and Contagem, Justinopolis and Ribeirao das Neves, Venda Nova, Sao Benedito in the contiguous urban area of Santa Luzia, Aarao Reis, and General Carneiro, on the border with Sabara—are mostly dormitory towns, with populations that consist predominantly of workers in construction and personal services, with family incomes ranging from about $US 100 to $US 250 per month. Aarao Reis has some industry of its own. General Carneiro is one of the few areas in the periphery that has the benefit of a suburban train to facilitate access to the Central Area of Belo Horizonte.

STRIKING DIFFERENCES BETWEEN RICH AND POOR

As everywhere in Brazil, income differences in the Belo Horizonte metropolitan area are very large. Because of the constant changes of income values in nominal terms due to triple-digit inflation, it is usual in Brazil to express incomes in terms of multiples of the legal minimum wage, which amounts to approximately $US 60 per month. The median individual income is 1.7 minimum wages. The Gini index of individual income inequality, which may vary from 0 to 1, is 0.58.

In the richest neighborhoods, mean family incomes are more than 20 minimum wages: Belvedere (29.6), Santa Lucia and Sao Bento (23.3) and Cidade Jardim

(20.6), all in the Santo Antonio/Sao Bento area, Mangabeiras (26.2), and the neighborhood of Sao Luiz (21.8) in Pampulha.

At the other extreme, the poorest neighborhoods have mean family incomes of around 2 minimum wages: Favela da Serra and Morro do Querozene (2.2), Durval de Barros (2.1), the Cinco neighborhood in Contagem (2.2), Jardim Teresopolis (1.8), Vargem das Flores (1.8) in Betim, Areias (2.1) in Justinopolis, on the border of Belo Horizonte and Ribeirao das Neves, Boleira (2.0) on the northern edge of Belo Horizonte, Gorduras (1.9) in Aarao Reis, Campinho de Baixo (1.9) in Lagoa Santa, Pinhoes (2.1) in Santa Luzia, Fidalgo (2.0) and Vera Cruz (2.0) in Pedro Leopoldo, and Rocas Novas (1.9) in Caete.

RAPID POPULATION GROWTH

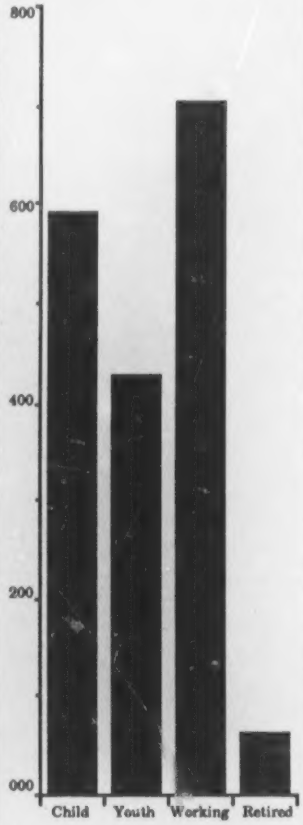
Like Brasilia, Belo Horizonte—or at least its central portion—is a planned city. It was especially constructed to be the capital of Minas Gerais. From 1720 to 1897, that function had been fulfilled by the picturesque Ouro Preto (literally "Black Gold"), 65 miles to the southeast. The city's basic design was laid out by the architect Aarao Reis, whose name now adorns a neighborhood. The city was to be called Cidade de Minas, a name that never stuck. Its street pattern was inspired by Washington, D.C., Mar del Plata, and by the great urban reform of Paris around 1860.

Accordingly, Belo Horizonte has 60 feet wide quadrangular Ruas, cut by diagonal tree-lined Avenidas that are 105 feet wide. This original design was contained within a circular avenue, the Avenida do Contorno. In the north-south direction this nucleus is cut by Belo Horizonte's main avenue, the Avenida Afonso Pena, which links the bus station with the southern neighborhoods of Serra, Mangabeiras, and Santo Antonio, on the slopes of the Serra do Curral.

Until 1920, its economic development was minimal, even though the population grew from 13,472 inhabitants in 1900 to 55,563 in 1920. At the occasion of the Eucharistic Congress in 1936, a series of improvements were made in the urban infrastructure, and in 1941 the Industrial City, the first project of this kind in Brazil, was implanted in Contagem. The Avenida Amazonas became the main artery linking the old center with this expanding industrial area. During this same period, Mayor Juscelino Kubitschek developed the suburb of Pampulha as a recreational and residential area. The Avenida Antonio Carlos which linked the center to Pampulha became an important commercial zone.

In 1940, the city counted 215,191 inhabitants, in 1950, 352,724, and by 1960 it had grown to 693,908. The 1950s were a period of particularly strong industrial expansion, fed by considerable demographic growth of about 6.5 percent annually. Migration accounted for about 60 percent of this growth. The recently implanted industries of Contagem attracted substantial migration, and consequently the municipality grew from as little as 3,462 inhabitants in 1940 to 280,447 in 1980, with unprecedented average rates of 16.5 percent annually during the 1950s and 14.8 percent in the 1960s.

Similarly, Ibirite evolved from a rural community of 1,452 people in 1940 to a fair-sized urban area, with 40,014 inhabitants in 1980. Many of the new migrants settled in improvised dwellings on illegally



POPULATION OF MUNICIPAL BELO HORIZONTE: 1980
in thousands

occupied lots. It was during this period that the local administrators began to lose their control over urban growth.

Today, Belo Horizonte is the third largest industrial agglomeration in Brazil. Since 1960, the metropolitan area has been growing by an amazing average of 5.4 percent annually, causing a good deal of urban chaos, particularly in the peripheral districts.

Nevertheless, the city has so far remained relatively free from some of the common problems of industrialization, such as pollution. Due in part to the efficiency of the local police, crime rates in Belo Horizonte are also significantly lower than in Rio de Janeiro and Sao Paulo.

FUTURE URBAN EXPANSION

Of the total available area of Belo Horizonte, 61.1 percent is occupied. In the other major municipalities, Contagem and Betim, these percentages are 30.6 percent and 26.0 percent, respectively.

Urban growth toward the south, in the direction of the nearby Nova Lima, is blocked, even though some high-income residences in this area challenge the forces of nature in exchange for a beautiful view by locating on the erosion-prone slopes of the Serra do Curral. Toward the east, the advance of the city is likewise blocked by a mountain range. Consequently, the city expands predominantly toward the north and especially the west.

The opening, in January 1984, of the new Tancredo Neves international airport at Confins, in the municipality of Lagoa Santa, has created some pressure for developing the unoccupied stretches north of the Venda Nova district. The main thrust of urban expansion, however, is directed toward the west, to the point where one continuous stretch of urbanized areas now connects Belo Horizonte, Contagem, and Betim. In the northwest, Belo Horizonte's urban area is penetrating the municipality of Ribeirao das Neves, which saw a virtual explosion of its population between 1970 and 1980, from 9,707 to 67,257 inhabitants. With 17.3 percent of its available area occupied, it has become the fourth most densely settled municipality in the metropolitan area, after Belo Horizonte, Contagem, and Betim.

Obviously, most of the future growth projected by PLAMBEL—metro population nearing 4 million by 1990 and 4.3 million by 1995—will take place in the areas that are now peripheral, in the extreme north and west, especially in Betim (a 156 percent increase during the decade), the Sao Benedito district of Santa Luzia (175 percent increase), the remote Nacional district of Contagem (278 percent increase) and Vespasiano (110 percent increase).

Meanwhile, traditional areas like the Center, the "Zona Sul," Calafate, Gameleira, Carlos Prates, Padre Eustaquio, Renascenca, Floresta, Horto, and Pampulha should not grow by more than 2 percent annually, whereas Lagoinha and Cachoeirinha are expected to lose population.

Pampulha, which still has some open spaces, is expected to grow at an average of 3 to 4 percent annually during the present decade. Similarly, Betania should further increase by rates in the order of 5 to 6 percent as more middle-class apartment buildings enter the area. The older industrial areas in the west of Belo Horizonte and Contagem are likely to maintain intermediate growth rates, in the order of 4 to 7 percent, with the exception of the central district of Contagem, where this number should remain somewhat higher during the present decade.

NEWCOMERS DOMINATE GROWTH

Although no longer as intense as during the 1950s, migration continues to account for a substantial portion of the growth of the metropolitan area. On the whole, 29.1 percent of its inhabitants interviewed in the 1980 census had lived there for less than 10 years. Obviously, the percentages were higher in the fastest growing municipalities: 45.6 percent in Santa Luzia, 48.2 percent in Ibirite, 48.9 percent in Betim, 49.7 percent in Contagem, and 75.6 percent in Ribeirao das Neves.

The overwhelming majority (more than 85 percent) of the recent migrants are from other areas within the state of Minas Gerais. Apart from the region immediately adjacent to the metropolitan area, the main sending area is that of Rio Doce, in the northeast of the state of Minas Gerais. The out-of-state migrants are mostly accounted for by the neighboring states: Sao Paulo, Rio de Janeiro, Bahia, and Espirito Santo.

Natural increase accounts for the remaining population growth. The number of children women in the micro-region of Belo Horizonte commonly bear in their lifetimes is low by Brazilian standards: an average of 3.5 children for each woman in the late 1970s, when the national average was 4.3. The sharp drop of fertility noted in all of Brazil since 1980 may have reduced this number even further. The number of registered deaths in the metropolitan area amounted to 20,049 in 1984.

The population of Belo Horizonte is predominately young, although not excessively so. The median age in 1980 was 21.3 years in the metropolitan area and 22.0 in the municipality of Belo Horizonte. The percentage of children under age 15 has declined somewhat, from 39.8 percent in 1970 to 35.3 percent in 1980, while the percentage over age 60 increased from 4.5 percent to 5.0 percent. The highest percentage of people over age 60 is found in Rio Acima (8.3 percent) and the lowest in Ribeirao das Neves (2.7 percent), Contagem (3.3 percent), and Ibirite (3.5 percent).

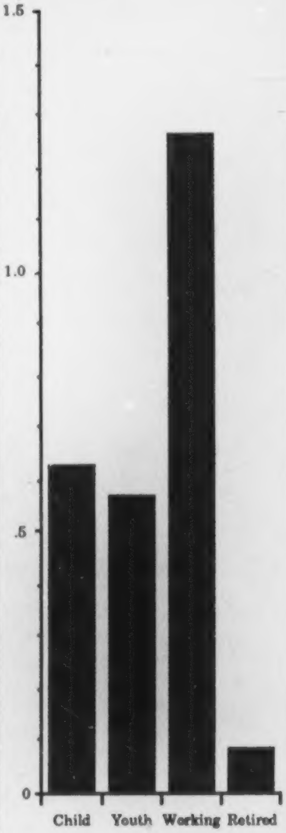
A total of 19,281 marriages were made in the metropolitan area in 1983, of which 12,772 occurred in the municipality of Belo Horizonte. True to the reputedly conservative nature of family life in Minas Gerais, the number of divorces and separations is fairly small: 1,129 and 1,490, respectively, in 1981. Almost all of these occurred in the municipality of Belo Horizonte.

HOUSEHOLDS AND HOUSING

Given the explosive growth rates of the metropolitan area as a whole, and especially some municipalities, like Betim, Contagem, Ribeirao das Neves, and Santa Luzia, maintaining an adequate level of infrastructure and basic services is no easy task. Nevertheless, considerable advances have been achieved in this area.

The percentage of households served by running water increased from 49 percent of all households in 1970 to 75 percent in 1980. The corresponding numbers for sewerage

POPULATION OF THE METRO AREA OF BELO HORIZONTE: 1980
in millions



Middle- and upper-class housing is expanding, especially in areas like Cidade Nova, which is part of the Renascenca region, Betania, and Horto.

were 34 percent and 50 percent. Major improvements occurred in the municipalities of Belo Horizonte, Contagem, and Rio Acima. However, in some of the fastest growing municipalities, urban services could not keep up with the rapidly expanding population. In Ribeirao das Neves, the proportions of households served by running water and sewerage dropped from 26 percent to 12 percent and from 11 percent to 6 percent, respectively.

Little or no improvement in the provision of running water occurred in Nova Lima, Raposos, and Sabara, nor in the extension of sewerage in Betim, Ibirite, and Sabara. The electrical power system has expanded everywhere, from an average of 79 percent of all homes in 1970 to 92 percent in 1980. Garbage collection reached 57 percent of all homes in 1980. The figure was highest in Vespasiano (89 percent) and Pedro Leopoldo (81 percent) and lowest in Rio Acima (none at all), Ribeirao das Neves (4 percent), and Ibirite (15 percent).

One of the major planning problems is the periodic flooding of the Arrudas River, which cuts the city in half, as well as the flooding of several smaller streams. The last major flood, in January 1983, caused more than 80 deaths and left 5,000 people homeless, especially in the *favelas,* or squatter settlements. The canalization of the Arrudas River, one of the main public works of the past administration, should alleviate this problem in the future.

Middle- and upper-class housing is expanding, especially in areas like Cidade Nova, which is part of the Renascenca region, Betania, and Horto. Land prices are highest in the area contained within the Avenida do Contorno, Mangabeiras, and Cidade Nova. Santo Antionio is losing some of its attraction as a high-income residential area.

In 1981, PLAMBEL estimated the number of favela dwellings in the metropolitan area at 65,690, with a total of 294,410 inhabitants, or 4.48 per household. Favela settlements are not limited to any particular area within greater Belo Horizonte. Morro do Querozene ("Kerosene Hill") is a slum area with 24,179 inhabitants in the middle of the Barroca district. Even the richest neighborhoods, Serra and Belvedere, on the slopes of the Serra do Curral, are next to the Favela da Serra and the Favela Santa Lucia, with 23,342 and 13,018 inhabitants, respectively.

Household sizes do not vary a great deal between the various municipalities. The largest average household sizes are found in the district of Sao Jose da Lapa, which is part of Vespasiano, (5.5 persons per household), in Raposos (5.3), and the Pinhoes district of Santa Luzia (5.3). The smallest average household sizes are those of the Central Area (4.0) and Lagoinha (4.1).

MIXED RACIAL AND ETHNIC COMPOSITION

Located between the prosperous State of Sao Paulo and the poor Northeast, Minas Gerais has a mixed ethnic and racial composition, which is reflected in its capital. The municipality of Belo Horizonte has the highest proportion (58.5 percent) of white population anywhere in the metropolitan area, although this percentage is well below that of Sao Paulo and the southern states of Brazil.

Of the remainder of the population, the majority is considered to be "of mixed descent." The black population counted by the 1980 population was smallest in Pedro Leopoldo (5.5 percent) and largest in Santa Luzia (13.2 percent), Sabara (11.6 percent), Ribeirao das Neves (11.2 percent), Betim (10.2 percent), and Vespasiano (10.2 percent). In 8 municipalities more than half of the population was considered of mixed descent: Raposos (65.9 percent), Sabara (61.4 percent), Caete (59.1 percent), Rio Acima (57.9 percent), Lagoa Santa (55.6 percent), Ribeirao das Neves (53 percent), Pedro Leopoldo (50.5 percent), and Nova Lima (50.4 percent).

Historically, migration from abroad has been less important to Minas Gerais than to Rio de Janeiro or particularly to Sao Paulo. Today, the foreign born form a minimal share of the metropolitan population: 11,582 individuals, or 0.46 percent in 1980.

HEALTH AND EDUCATION

Infant mortality rates in the metropolitan area, which caused much concern during the early 1970s (when they soared to more than 100 per 1,000 live births), have diminished considerably, from 101.0 in 1977 to 41.8 per 1,000 live births in 1984, still high but acceptable by Brazilian standards. Some care should be taken in the interpretation of these numbers, for their denominators are based on projected, rather than registered, births. While the latter tend to underestimate the birthrate, the former may overestimate it, thereby artificially reducing the infant mortality rate.

The life expectancy for the second half of the 1970 decade has been estimated at 61.9 years, close to the national average. The most common causes of death are cardiovascular diseases (186.7 per 100,000 in the metropolitan area and 216.0 in the municipality, in 1982), neoplasmas (82.4 and 109.4), and infectious and parasitary diseases (76.6 and 89.9), indicating a mixture of diseases typical of more and less developed areas.

In 1983, the metropolitan area had 84 hospitals, with a total of 16,432 hospital beds, of which 67, with 13,611 beds, were located in Belo Horizonte proper. Only 18 hospitals were public. Lagoa Santa, Raposos, and Ribeirao das Neves had none. More than a third of the hospital infrastructure is concentrated in the central area, with minor concentrations in Santa Efigania and Mangabeiras. At the polyclinic level, the metropolitan area counts 73 health centers, of which 41 are public, and 165 smaller health posts. The city of Belo Horizonte proper had an estimated 5,422 physicians in 1982.

Illiteracy rates in most of the municipalities are lower than the Brazilian average (26 percent), with the exception of Ribeirao das Neves (35.9 percent), Ibirite (31.7 percent), Betim (30.7 percent), and Vespasiano (26.4 percent). The lowest illiteracy rate is that of Belo Horizonte, with 15.9 percent.

According to the 1980 census, the percentage of persons who have completed four years of elementary school varied from 28.4 percent in Ribeirao das Neves and 29.8 percent in Betim to 41.8 percent in Nova Lima and 40.5 percent in Raposos.

The college educated formed less than 1 percent of the population, except in Belo Horizonte (4.4 percent), Nova Lima (1.8 percent), Pedro Leopoldo (1.7 percent), and Lagoa Santa (1.3 percent). The higher percentages of the latter three municipalities are probably accounted for by the fact that some of the well-to-do who work in Belo Horizonte have their residences here.

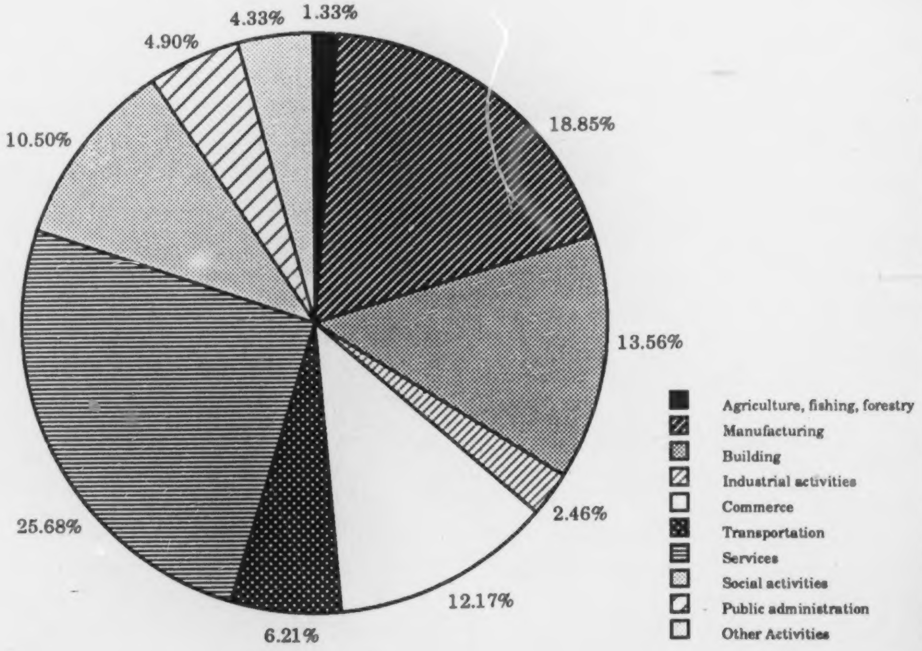
In 1983, a total of 301,793 children were enrolled in the first four years of elementary education and 201,780 in the next four years of primary education. Enrollment in secondary schools numbered 75,396, with 65,247 in the municipality of Belo Horizonte. The two universities, the Federal and the Catholic University of Minas Gerais, had a total enrollment of 25,649 and a faculty of 3,611 in 1981.

INDUSTRY IS BACKBONE OF ECONOMY

Manufacturing is the largest employment category for males (23.1 percent), with building and construction next (20.1 percent), while female employment is mostly concentrated in services (45.5 percent). On the whole, women make up 34.4 percent of the labor force. Apart from its present importance, the secondary sector is also the fastest growing employment category. While total employment in the municipality of Belo Horizonte grew 72 percent between 1970 and 1980, the figure was 115 percent for the secondary sector. The corresponding figures were 214 percent and 249 percent for Contagem, 145 percent and 250 percent for Betim, 177 percent and 221 percent for Santa Luzia, and 727 percent and 1580 percent for Ribeirao das Neves.

WHERE THEY WORK

Economic activity of the employed: Belo Horizonte, 1980



TELEPHONE STILL A RARITY

As elsewhere in Brazil, the telephone is still a relatively rare commodity, even though 32 percent of the homes in Belo Horizonte now possess one. In 1984, the total number installed in Belo Horizonte was 579,000, with an additional 31,188 in Contagem, which is not particularly low when compared to other cities, like Rio de Janeiro. High installation costs (over $US 1000) and inability of the local telephone companies in all major cities to expand the network at a sufficient rate continue to be obstacles to more widespread ownership in Belo Horizonte.

SOURCES OF INFORMATION

The most comprehensive information on the metropolitan area of Belo Horizonte is published by the Metropolitan Planning Board (PLAMBEL), Avenida Brasil 688, 30140 Belo Horizonte MG, telephone 031-212-2500. Among other publications, this study draws heavily on a three-volume study entitled "A estrutura urbana da RMBH," published in 1986, which analyzes the historical roots, the present situation, and future prospects for the metropolitan area. A two-volume study published in 1985 lists a wealth of detailed information, in the form of tables. Its title is "Informacoes Basicas da RMBH."

A source of information on the State of Minas Gerais in general is the Statistical Yearbook of Minas Gerais, published by the Superintendency of Statistics and Information (SEI) of the State Planning Secretariat, Rua Goncalves Dias 2553, 5o andar, 30.140 Belo Horizonte MG.

More general information, at the municipal and regional level, can be found in the 1980 demographic census, published by the Brazilian Census Bureau (Fundacao IBGE), Avenida Franklin Roosevelt 166, Rio de Janeiro, and in the Statistical Yearbook of the State of Minas Gerais. The Brazilian census is available at the US Bureau of the Census. Those interested should contact the area specialist, Linda Peterson, at (301) 763-4086.

For economic data, the recently published 1985 economic censuses, which cover agriculture, industry, commerce, and services, may be useful. Further reference materials on Brazil available in the United States are found in the May 1982 issue of International Demographics, volume 1, number 2, available for $14 from American Demographics Inc.

—Ralph Hakkert

The author would like to thank Carlos Tisseki Gondo for compiling many of the original tables and Elieth Amelia de Sousa, of PLAMBEL, for her guidance in selecting the relevant data material.

inside information

BRAZIL'S BIG THREE OFFER BRAZIL'S PROMISE AND PROBLEMS: SAO PAULO RIO DE JANEIRO AND BELO HORIZONTE

In the best of developing-country scenarios, the third-millenium city would be Brazilian. Brazilian because urban areas in fast-industrializing Brazil offer all the best and all the worst of turn-of-the century-development to a newly enfranchised populace. While most of the rest of Latin America stagnated or contracted, Brazil's real GDP grew 10 percent a year on average between 1965 and 1974, then stumbled, but rebounded in 1984, with 1986 growth again up to its old standards.

But explosive growth also magnified existing problems, like the wide disparity in income levels, leaving Brazil's income per capita below that of 10 of 13 South American countries. It also created cities where clusters of skyscrapers are ringed by shanty towns. But because of the speed of economic growth and the entrepreneurial bent of the Brazilian populace, slum dwellers do have at least a chance to get themselves out. A half million new businesses are created every year in Sao Paulo alone.

Whether Brazil can continue to grow fast enough and equitably enough to make room for its growing numbers of urban poor is the big question. Brazil may well be the testing ground for capitalism in meeting the needs of third-millenium urban people.

Brazil's big three mega-cities—Sao Paulo, Rio de Janeiro, and Belo Horizonte—dominate the lineup of Latin America's top 10 metro areas. In 1985, the metro area of Sao Paulo ranked second; Rio de Janeiro, fourth; and Belo Horizonte, eighth.

These three cities have, however, experienced different fates over the last 25 years. As Rio de Janeiro decayed following its loss of capital status to Brasilia in 1960, Sao Paulo grew explosively. Now, Sao Paulo's economy is greater than that of any South American country, apart from Brazil's itself. Rio's growth was 15 percent below that of Brazil's in the 1970s. Rio's new governor hopes to revive Rio's economy by attracting a $500 million petrochemical complex, encouraging more data-processing firms to locate in the suburbs, and developing islands lying offshore for tourism.

Meanwhile, Sao Paulo continues to grow rapidly, although more slowly than in the 1970s. Belo Horizonte, despite being smaller in population, outpaced Sao Paulo's growth in the last decade, averaging about 5.4 percent a year, as compared to Sao Paulo's 4.5 percent a year. Due to their industrial bases and rapidly expanding service sectors, both Sao Paulo and Belo Horizonte have done a better job at creating employment opportunities than Rio.

Other contrasts between these three cities include the much-joked-about stereotypical characteristics of their residents. Whereas the inhabitants of Rio (Cariocas) are characterized as easygoing and exuberant, and those of Sao Paulo (Paulistas) as cold and business-like, the stereotype of the "Mineiro" is that of a traditionalist who hears much, talks little, and has a vocation for politics. Among the national politicans that the state of Minas Gerais (capital city, Belo Horizonte) has produced are President Juscelino Kubitschek (1956-60) and President Tancredo Neves, who died tragically in 1985 before he could be sworn in.

HOW THEY DIFFER

Metro areas	*Population in 1985 (millions)*	*Population in 2000 (millions)*	*annual growth rate (1970-1980)*	*Median age*	*Median income ($ per month)*
Sao Paulo	15.8	24.0	4.5%	23.5	$124
Rio de Janeiro	10.2	13.3	2.5	24.6	115
Belo Horizonte	3.1	5.1	5.4	21.3	102

Municipality	*Number of households*	*Electricity*	*Radio*	*Refrigerator*	*Television* B & W	*Television* Color	*Private car*	*Telephone*
Sao Paulo	2,000,000	98	89	83	49	41	37	28
Rio de Janeiro	1,300,000	98	91	90	46	45	33	33
Belo Horizonte	400,000	96	80	72	52	32	29	32

what the numbers mean

WHAT DOES "METRO AREA" REALLY MEAN?

Whether your data is city or metro-area data can mean a lot.

City, metropolitan area, greater metro area, urban agglomertion, conurbantion? Exactly how do they differ? Defining jurisdictions is often problematic for national statistical agencies due to the vagaries of geography and local politics. Unusual marriages often take place, such as Trenton N.J. and Wilmington, Del. being included in the metro area of Philadelphia.

No wonder, ranking the world's cities becomes a complicated task. Unfortunately for urban-data users, each nation sets up their own definition criteria for classifying population as city, metro, or nonmetro. International organizations, such as the U.N., most often use the metro area as defined by the specific country to make up their world city rankings. The U.N. list uses the term "urban agglomeration"—roughly equivalent to metro area—for its ranking of the 30 largest urban areas in the world.

Since nations do not uniformly define their jurisdictions, it is best when comparing international urban data to understand the criteria used to define the particular areas you are interested in. Choosing a consistent standard to apply or understanding the criteria used for already made comparisons can give you a better picture of urban area demographics. Be careful to note whether data is for the city proper or the metro area.

The metro area of Belo Horizonte, for example, encompasses the municipality of Belo Horizonte. The municipality grew at 3.7 percent annually between 1970 and 1980, slower than for the larger metro area which grew at about 5.4 percent annually over the same period. Often the city proper grows more slowly than or even loses population to its surrounding satellite cities and suburbs.

One place to look for an up-to-date ranking of the world's metro areas is the U.S. Census Bureaus's new *World Population Profile:1985* (see review on page 16). The Bureau's Center for International Research (CIR) first defined a city as a "population cluster of continuous built-up area with a population density of at least 5,000 persons per square mile." They then included in their population counts any contiguous area meeting this density requirement regardless of jurisdictional borders. Numero uno according to the CIR is the metro area of Tokyo-Yokohama at 25.4 million people. Belo Horizonte comes in as the world's 55th largest city in 1985.

LATIN AMERICA'S METRO AREAS—WHERE DOES BELO HORIZONTE FIT IN?

Latin America's 12 largest metro areas in 1985, according to the United Nations

	population (in millions)
1. Mexico City, Mexico	17.3
2. Sao Paulo, Brazil	15.8
3. Buenos Aires, Argentina	10.8
4. Rio de Janeiro, Brazil	10.3
5. Lima, Peru	5.6
6. Bogata, Colombia	4.4
7. Santiago, Chile	4.1
8. Caracas, Venezuela	3.7
9. Belo Horizonte, Brazil	**3.2**
10. Guadalajara, Mexico	2.7
11. Porto Alegre, Brazil	2.7
12. Monterrey, Mexico	2.5

publications

MORE FROM THE CENSUS BUREAU

World Population Profile: 1985, U.S. Census Bureau, Washington, D.C., 53 pp. Order from Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Based on data from 205 countries, this chartbook graphically presents a clear and understandable demographic picture of the world today and in the future. The chartbook format with easy-to-read charts and graphs makes complex data readily accessible to the layman.

In addition, the *Profile* includes many of the work tables used to generate the charts and graphs. This gives the researcher the exact numbers behind the graphics and enhances understanding of the associated text. Any background data used to derive the estimates in the *Profile* not published in the volume are available by writing to Chief, Center for International Research, Bureau of the Census, Washington, D.C. 20233.

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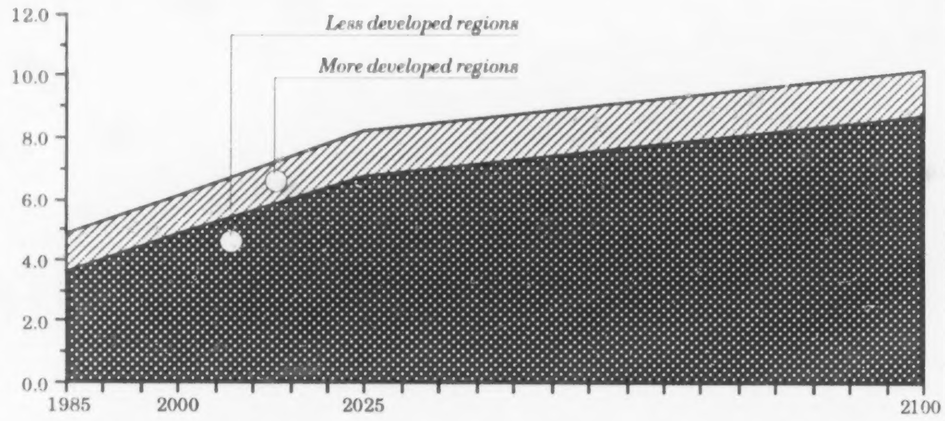
in depth

THE DAY WORLD POPULATION REACHED FIVE BILLION– JULY 11, 1987

WORLD POPULATION GROWTH TO TAKE PLACE IN LESS DEVELOPED REGIONS
(numbers in billions)



Source: United Nations.

Future world citizens will be better educated, more urbanized, and older than they are today.

WORLD OUTLOOK '87

*O*nly 13 years ago it was a 4-billion world. Now at 5 billion, it seems just around the corner to the turn of the century when world population will reach 6 billion. By that time, cities will hold half of the world's population.

Most of the world's population will live in the developing countries. For every baby born in a developed country, 10 will be born in a developing country. Six hundred million new jobs will be needed in developing countries by the turn of the century just to employ those already born and about to enter the workforce.

Not only will there be more world citizens but they will be collectively older, too. The aging of the world population is a result of declining record-high fertility rates (the number of children women commonly bear in their lifetimes) and increasing life expectancy. By the year 2000, 418 million world citizens will be over 65, up from 286 million in 1985.

Developed countries will be home to increasing proportions of the aged. Developing countries will age slower; the aged at present do not constitute a significant share of the populations of these countries. However, it is important to note that in Brazil, Mexico, India, Indonesia, and the Philippines, the proportion of the population over age 65 will double between 1985 and 2025.

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 6 NUMBER 8 AUGUST 1987

WORLD OUTLOOK

DOUBLING OF WORLD POPULATION LIKELY

The world's population growth is slowing down, but it will take about 100 years before it stops. After peaking at over 2 percent a year in the late 1960s, the world's population growth rate is down to 1.7 percent. But the world population will continue to grow until the young people born in times of high fertility pass out of their childbearing years. Until births equal deaths, the population will not stabilize.

The world's population is projected to stop growing at the beginning of the 22nd century. By then, world population is projected to total 10.2 billion, over double what it is now, according to UN projections. Its ultimate size, however, could range between 7.5 billion and 14.2 billion.

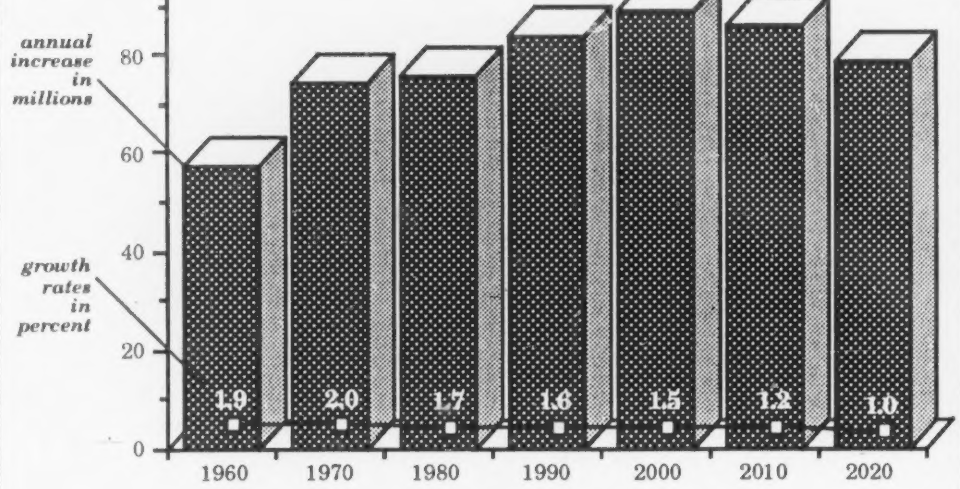
The lion's share of this growth will occur in Africa, Asia (minus Japan), and Latin America, which now make up 76 percent of the world population. By 2095, 8.8 of the world's 10.2 billion people will live in these areas.

DEVELOPING COUNTRIES TO INCREASE SHARE OF WORLD POPULATION

Developing countries are expected to grow three times faster than their developed country counterparts. Between 1990 and the year 2000, about 828 million people will be born in developing countries. Excluding China, developing countries are slated to grow at between 1.9 and 2.4 percent a year. China is excluded because its relatively low growth rate (0.8 percent) and its large share of the total population of developing countries tends to throw off the developing country average and present a misleading picture.

Sub-Saharan Africa's growth rate of 3 percent is about double

WORLD POPULATION TO GROW DESPITE FALLING GROWTH RATES



Source: United Nations.

*C*onsumer markets abroad

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that of the rest of the world's, making it the fastest growing region in the world. Sub-Saharan Africa's share of the world population will accordingly increase from 9 percent in 1985 to about 11 percent in the year 2000.

The Near East and North Africa come in second among developing regions with 8 percent of the developing world's population in 1985. Its population of 301 million people will swell to 443 million by the year 2000.

Asia accounts for about 55 percent of the world's population and 69 percent of the population of the developing world. The world's two largest countries, China and India, are in Asia. The population growth rate in Asia declined markedly between 1970 and the present due largely to China's success in slowing its growth rate. China's growth rate fell from 2.7 percent annually between 1965 and 1970 to a dramatically low 0.8 percent in 1985. Accordingly, the population growth rate of Asia declined from 2.2 percent annually to 1.7 percent annually during the same period.

Latin America too has slowed its growth rate (from 2.7 percent annually in the 1950s and 1960s to 2.3 percent in the late '70s), but it still is above the average for developing countries and well above the world rate of 1.6 percent. Latin America also faces large annual increases in population as the hefty number of youths born during high-fertility times enter their family formation years.

FALLING NUMBERS IN EUROPE

Falling birthrates throughout Europe reflect a profound shift in norms and attitudes away from concerns for family and offspring to the rights and self-fulfillment of individuals, according to a newly published analysis of population trends in the region.

Dirk J. van de Kaa, a distinguished Dutch demographer, predicts that birth and death rates in most European countries will converge at low levels and continue to decline. His study describes public and policy reaction to what he calls Europe's Second Demographic Transition as it has evolved in some 30 countries. It appears in the Population Bulletin, published by the Washington-based Population Reference Bureau.

Austria, Denmark, Hungary, and West Germany had already slipped into natural population decrease (fewer births than deaths) by 1985. Belgium, Bulgaria, East Germany, Italy, Sweden, and Britain, with a natural increase of less than 0.15 percent in 1985, are, he predicts, probably next in line, to be followed shortly by many other countries.

Europe's demographic development, he says, is at a stage where the countries that still have above-replacement-level fertility (2.1 births per woman) can be counted on the fingers of one hand, with a few where births no longer exceed deaths. Current United Nations medium projections show too that Europe's population will grow by only 6 percent between 1985 and 2025—from 492 million to 524 million—while the world's population is likely to double from 4.5 to 8.2 billion. Nearly one in every five Europeans in 2025, according to the UN, will be a pensioner aged 65 and over, with a shrinking working-age population to support each one.

These projections assume a rise in Europe's fertility to replacement level between 2020 and 2025, says van de Kaa, a prospect he considers unlikely, though a slight rise in rates from 1983 to 1985 in Denmark (1.38 to 1.45 births per woman) and Sweden (1.61 to 1.73) suggests that the low point may

Nearly one in every five Europeans in 2025, according to the UN, will be a pensioner aged 65 and over, with a shrinking working-age population to support each one.

have been reached. Eastern European fertility rates were under 2.5 in 1965, rose in response to restrictions on legal abortion and pronatalist economic incentives, but now are also all below replacement level, except in Poland.

THE MOVE AWAY FROM MARRIAGE AND FAMILY

Addressing the causes of Europe's fertility plunge, van de Kaa maintains that a tide of individualism, progressiveness, and post-materialism is moving people away from marriage and parenthood. In Northern and Western Europe, cohabitation is increasingly accepted as normal, and there are indications that possibly as few as 50 to 60 percent of men and women in future generations will ever marry.

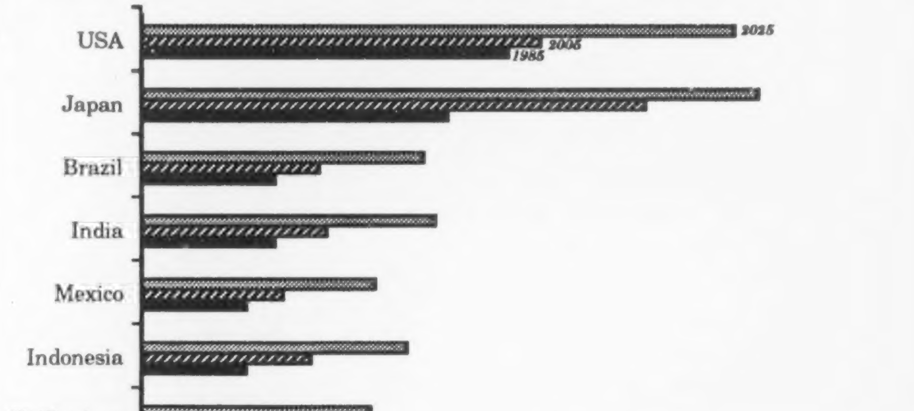
Having a child is now more and more a deliberate choice made to achieve greater individual self-fulfillment, with little fear that the child will be stigmatized if born out of wedlock. Proportions of out-of-wedlock births vary from 0.6 percent in Malta and 1.6 percent in Greece, to 45 and 46 percent in Denmark, Iceland, and Sweden. In the latter three countries, the average age of women at first marriage is now higher than women's average age when they first give birth.

Many Europeans are convinced that below-replacement fertility and aging population spell the end of national influence in regional and world affairs and the collapse of social security funds, van de Kaa observes. France has stepped up pro-natalist economic incentives, while in the Netherlands a large majority share the official view that an end to natural population growth should be welcomed. With the exception of France, governments outside Eastern Europe hesitate to try pro-natalist economic incentives. These are seen as politically risky, costly, and having no guarantee of success.

Such incentives have not succeeded in boosting fertility back to replacement level in Eastern Europe, despite incentive packages that include subsidized maternity leave of up to three years in Hungary and in Czechoslovakia, allowances totalling 53 percent of

INDUSTRIALIZED WORLD TO AGE RAPIDLY

Percent of population over age 65, for selected countries: 1985, 2005, 2025



Source: U.S. Bureau of the Census.

average monthly wages of a three-child family.

WHAT CAN BE DONE TO REVERSE EUROPEAN POPULATION DECLINE?

Van de Kaa offers two possible solutions to ward off long-term population decline in Europe. It is possible that women and men will decide again that having several children would enrich their lives, lead to greater self-fulfillment and be in the best interests of society. He adds that he has not found much concrete evidence to support such a scenario.

The second, he says, assumes that immigration becomes a major component of population growth, more so than before 1973. However, he acknowledges that the recent tightening of restrictions suggests that a resumption of large-scale immigration is unlikely to be acceptable. But in the past, at least, many European countries have allowed refugees and others to enter on broadly defined humanitarian grounds. Such politics were usually widely supported, and could be again.

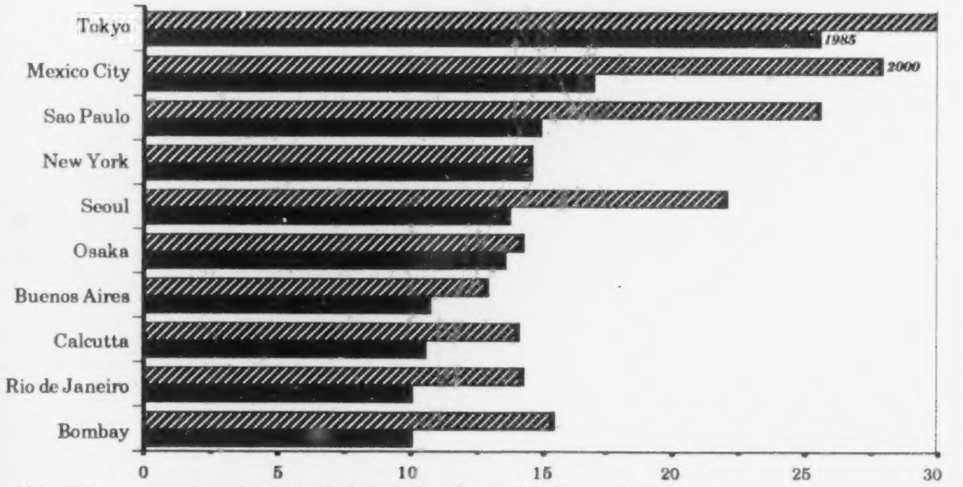
The only hope of stemming Europe's population decline, he concludes, lies with new, more imaginative measures to stimulate fertility. He cites the proposal of the American demographer Paul Demeny to relink fertility behavior and economic security in old age. Part of each worker's social security taxes would be earmarked to go directly to his or her own live parents as an extra pension entitlement—a long-term incentive to have children of one's own. Van de Kaa admits this idea has little chance of being adopted, but adds: "In demographic matters, the unexpected sometimes happens."

GAP BETWEEN RICH AND POOR WIDENS

The world's least developed countries are experiencing the slowest economic growth, with upper-middle income countries growing the fastest. The world's 38 poorest countries, with 54 percent of the world's population, accounted for a mere 5.6 percent of the world's total income in 1982, averaging only $270 a person; the 38 richest countries, on the other hand, with only 18 percent of the world's popula-

The world's least developed countries are experiencing the slowest economic growth, with upper-middle income countries growing the fastest.

POPULATION OF THE WORLD'S TEN LARGEST URBAN AREAS: 1985 AND 2000



Note: Urban areas are in rank order by 1985 population. Source: U.S. Bureau of the Census.

trendwatch Worldwide

Growth of the elderly population to outpace that of the world population

Half of the world's population now lives in China, India, the USSR, and the US

Latin America's growth rate to drop considerably by the year 2000

Half of the world's population to live in urban areas by 2000

tion, accounted for 77 percent of the world's total income, averaging $11,390.

Other shakeups are on the horizon. The newly industrialized countries are gaining fast, making their traditionally more secure rivals such as Britain increasingly uncomfortable. In 1966, South Korea, for example, had a per capita GDP of only 28 percent of that of Portugal and 41 percent of that of Turkey. But, if growth rates remain similar to those of the past, South Korea in just 20 years will surpass both Portugal and Turkey in per capita GDP. This possibility so miffs the British that they argued at the GATT (General Agreement on Tariffs and Trade) meeting last year that newly industrialized countries should lose some of their special dispensations in trading matters due to their increased economic power.

–Denise Rusoff; the section on Europe's demographic transition was written by Celia Curtis, People News/Features, *London*

A LOOK AT WORLD POPULATION STATISTICS

from the 1986 World Population Data Sheet

World population as of mid-1986: **4.924 billion**

More developed country (MDC) population: **24% of world total**

Less developed country (LDC) population: **76% of world total**

China's population: **1.05 billion, 21.3% of world total**

World birth rate: **27 births per 1,000 population**

World death rate: **11 deaths per 1,000 population**

World rate of natural increase: **1.7%**

World total fertility rate: **3.6 lifetime children per woman**

MDC total fertility rate: **1.9 lifetime children per woman**

LDC total fertility rate: **4.2 lifetime children per woman**

World infant mortality rate: **82 infant deaths per 1,000 live births**

World life expectancy at birth: **62 years**

MDC life expectancy at birth: **73 years**

LDC life expectancy at birth: **58 years**

Source: Population Reference Bureau.

METRO AREAS NOW HOUSE TEN PERCENT OF WORLD POPULATION

THE TOP TWENTY

Population and average annual rates of growth for top 20 cities with 2 million or more population in 1985, in rank order: 1985 to 2000

Rank in 1985	*Metro area*	*Country*	*Midyear population (thousands)*				*Growth rate (%)*			*Density (pop. per square mile)*
			1985	*1990*	*1995*	*2000*	*1985-1990*	*1990-1995*	*1995-2000*	
1	Tokyo-Yokohama	Japan	25,434	26,952	28,447	29,971	1.16	1.08	1.04	23.35
2	Mexico City	Mexico	16,901	20,207	23,913	27,872	3.57	3.37	33.06	32.37
3	Sao Paulo	Brazil	14,911	18,052	21,539	25,354	3.82	3.53	3.26	33.06
4	New York	USA	14,598	14,622	14,638	14,648	0.03	0.02	0.01	11.45
5	Seoul	S. Korea	13,665	16,268	19,065	21,976	3.49	3.17	2.84	29.95
6	Osaka-Kobe-Kyoto	Japan	13,562	13,845	14,093	14,333	0.41	0.36	0.34	27.39
7	Buenos Aires	Argentina	10,750	11,518	12,232	12,911	1.38	1.20	1.08	20.09
8	Calcutta	India	10,462	11,663	12,885	14,088	2.17	1.99	1.79	50.05
9	Bombay	India	10,137	11,777	13,532	15,357	3.00	2.78	2.53	106.70
10	Rio de Janeiro	Brazil	10,116	11,428	12,786	14,169	2.44	2.25	2.05	38.90
11	Moscow	USSR	9,873	10,367	10,769	11,121	0.98	0.76	0.65	26.05
12	Los Angeles	USA	9,638	10,060	10,414	10,714	0.86	0.69	0.57	8.68
13	London	UK	9,442	9,170	8,897	8,574	-0.58	-0.60	-0.74	10.80
14	Paris	France	8,633	8,709	8,764	8,803	0.18	0.13	0.09	19.98
15	Cairo	Egypt	8,595	9,851	11,155	12,512	2.73	2.49	2.30	82.64
16	Manila	Philippines	8,485	9,880	11.342	12,846	3.04	2.76	2.49	45.13
17	Jakarta	Indonesia	8,122	9,588	11,515	12,804	3.32	3.02	2.76	106.86
18	Essen	W. Germany	7,604	7,474	7,364	7,239	-0.34	-0.30	-0.34	10.80
19	Tehran	Iran	7,354	9,354	11,681	14,251	4.81	4.44	3.98	65.66
20	Delhi	India	6,993	8,475	10,105	11,849	3.84	3.52	3.18	50.67

WORLD OUTLOOK '87

Source: World Population Profile: *1985, U.S. Department of Commerce, Bureau of the Census*

special report

SINGAPORE'S DESIGNER GENES

*P*opulation policies rarely go overboard. But in Singapore, when Prime Minister Lee Kuan Yew's catchy campaigns persuade islanders to engage in every activity from efficient production to common courtesy, a relentless program of population pruning over the last decade worked just too well.

In fact, the overwhelming success of the government's "Stop at Two" policy, limiting families to two children, turned a 1970s fear of overcrowding into a 1980s fear of surplus capacity, underachievement, and economic stagnation. In order to cope with the first signs of population decline, policy makers ironically have begun to advocate a selective undoing of previous population controls—the selectivity of which has exposed a host of questionable demographic priorities for this "modern" island powerhouse. The newest policies spark heated debates ranging from the question of nature versus nurture in intelligence to the appropriateness of polygamy in twentieth century Singapore.

Once it had been revealed in 1983 that the "Stop at Two" policy succeeded beyond target levels, government analysts began to examine fertility rates of different groups based on race, education and sex. Three startling conclusions surfaced immediately: Many couples who did marry were not even maintaining replacement level, and population levels of Chinese Singaporeans (who comprise 77 percent of the population) were actually declining. While the Malaysian and Indian fertility rates hovered between 1.9 and 2.1 during the late 1970s, the Chinese fertility rate dropped steadily and reached a low of 1.5 at the end of the decade. These results were most distressing to the government for a variety of reasons.

Singapore's relentless program of population pruning over the last decade worked just too well.

As an island nation, Singapore has few natural resources on which to depend. Most of the miraculous economic development during the past twenty years has been the result of only one carefully cultivated resource—a highly educated labor force. Moreover, out of the three largest ethnic groups in Singapore (Chinese, Malays and Indians) it is the Chinese who remain powerful in both economic and political spheres. As Lee saw it, then, the fertility studies showed how Singapore's cutting edge in a high tech world would erode within the next generation unless some drastic changes were made.

These prospects prompted the prime minister's surprising speech on National Day in August of 1983, in which Lee formally presented the problem and began to outline a corrected course for population policy. "If we continue to reproduce ourselves in this lopsided way," he argued, "we will be unable to maintain our present standards. Levels of competence will decline. Our economy will falter, the administration will suffer, and the society will decline... Our most valuable asset is in the ability of our people. Yet we are frittering away this asset through the unintended consequences of changes in our education policy and equal career opportunities for women. This has affected their traditional roles as mothers...We must further amend our policies, and try to reshape our demographic configuration so that our better educated women will have more children to be adequately represented in the next generation."

To Prime Minister Lee, equal opportunity posed major problems for Singapore's future. Equality in education and employment, gained through the Women's Charter of 1962, strained social relationships in this extremely traditional and hierarchical society. Men found it more difficult to find women who make home and family their first priority. They had been used to maintaining control in the family, and at times felt challenged by women of educational parity. Thus, men sought to marry less educated women. In 1983, 63 percent of graduate men married non-graduate women. Conversely, women who looked for educated equals and found none frequently opted to remain single rather than marry a less educated man. The result—"a considerable loss in well educated women remaining unmarried at 40 plus and not represented in the next generation: 13 and 1/2 percent of all tertiary educated women, 8 and 1/2 percent of all upper secondary educated women and 10 and 1/2 percent of all secondary educated women."

Lee also pointed to statistics for married couples which showed a directly proportional relationship between the level of female education and the drop in fertility rate. "A woman below age 40 with no educational qualifications on average produces about three children, although she has limited and few resources to give her children... with primary education, she produces about two children on average; with secondary education 1 and 1/2, with upper secondary education 1 and 1/3, with tertiary education 1 and 1/4...Our projected losses through graduates not reproducing themselves under present patterns will be over 20 percent (based on the mean of 1.65 children born alive per ever-married woman aged 35 to 39 of about 2,000 graduates per year)."

But while policy makers drafted and redrafted workable solutions to the problem, Lee has vented his frustrations in a variety of forums—none of which has been free from controversy. "We can't go back," he claimed. "It is not possible. We cannot say we will educate our women but only up to a point."

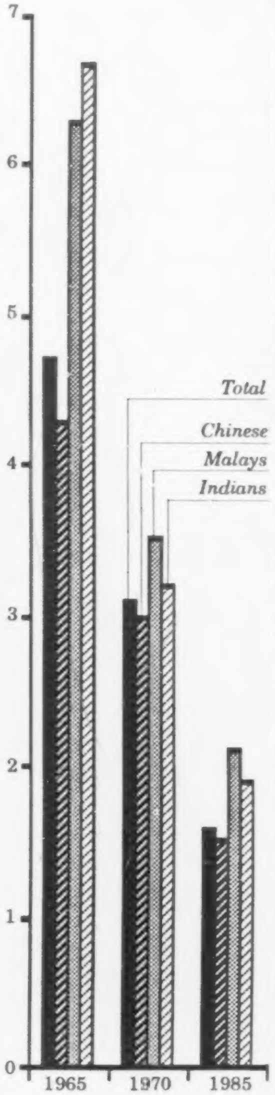
"It is too late. We have opened Pandora's box. The women won't stand for it," Lee proclaimed on National Day in 1983. As recently as December 12, 1986, in an address to the National University of Singapore, Lee's remarks reached the height of reaction as he invoked the practice of polygamy in order to dramatize the continued severity of the population problem. "The way the old society did it was by polygamy. The successful man, whether you're a scholar, a Mandarin or a successful businessman or successful farmer, you had more than one wife. In fact you can have as many as your economic status entitles you or can persuade people to give up their daughters to you.

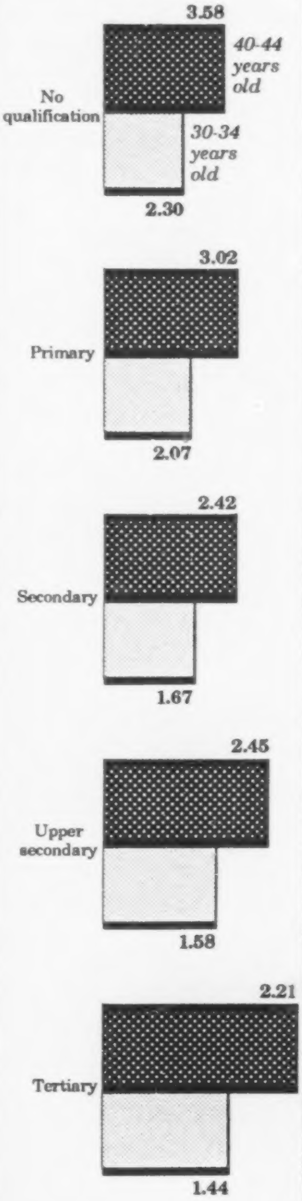
"So, over the generations, you must have the physically more vibrant and vital reproduce. We are doing just the opposite. We introduce monogamy. It seems so manifestly correct. The West was successful, superior. Why? Because they are monogamous. It was wrong; it was stupid."

How has population policy evolved since National Day, 1983? Immediately, the Singaporean government promulgated a two-tiered policy to encourage "graduate" marriages and "graduate" offspring.

Under the Ministry of Finance, the Social Development Unit engaged in love Singaporean style; the unit provided a variety of party atmospheres in which young, eligible and, most importantly, educated men and women could interact. Teas, dances, cruises and computerized blind dates continue to fall within the realm of SDU activities. For the younger set (predominantly high school age students or students of "A" and "O" levels), the

AVERAGE NUMBER OF CHILDREN PER WOMAN IN THE SINGAPOREAN POPULATION BY ETHNIC GROUP, *in percent 1985, 1970, 1985*





BETTER EDUCATED SINGAPOREAN WOMAN HAVING FEWER BABIES

Average number of children per married Singaporean woman in 1985

Social Development Section provides the same service.

But the desirability of an official social organ, one which foists the old parental matchmaking duty onto the government, remains questionable even in the minds of those for whom it was established. "Some of the trips that SDU offers are pretty good and free, but most people don't take it that seriously," commented Siguna Modhaven, a third year student at the National University of Singapore. "I have one friend who thought of going to an SDU dance, but we teased her about what would happen if she met a guy, married and had children. The child would ask, 'Mommy, Mommy how did you meet Daddy?' 'At an SDU trip,' she would have to say."

As for spurning "graduate offspring," a policy officially known as the Graduate Mother policy (unofficially the "Designer Gene" policy) offered a weighty package of incentives for educated mothers to have more children and for uneducated mothers to have fewer. Primarily, graduate parents got priority in school selection for their children, while uneducated mothers got S$10,000 (US $5,000) in cash for sterilization after their second child was born. The government explained that this transfer payment would optimally be used toward buying a public Housing Board Flat.

The Graduate Mother policy rested on the belief, espoused by Prime Minister Lee, that nature rather than nurture fosters intelligence. "Government policies have improved the part of nurture in performance. Government policies cannot improve the part nature makes to performance," he explained. Thus, the policy was crafted to maximize the uncontrollable: the inherited component of intelligence. It was an effort to hybridize Singaporean brain power.

The newest efforts to promote a "Think of Three" mentality have centered on affordability rather than education. Apparently conceding to popular resistance toward the Graduate Mother policy, Lee and People's Action Party have attempted to relax population "qualifications"; incomes have replaced degrees as means of quality control.

On March 1, 1987, at a televised press conference, First Deputy Prime Minister Goh Chok Tong unveiled the new plan. "There are many people who might not even have secondary education, but they make up for it with diligence, hard work, special talents, skills. And they may be earning very much more than those with "O" levels or even those who have been to university. These people can support their children," claimed Goh. "The policy is, when you have more children, make sure you can afford to give them a good life on your own. You can't expect others to pay for your children's requirements in future."

Specific incentives outlined in the new policy, which becomes effective in 1988 (according to the *Straits Times*) include tax breaks of up to S$20,000 over five years, or a tax rebate of 15 percent of earned income for working mothers who have third children; a lifting of old disincentives against the third child in school registration (a remnant of the "Stop at Two" policy) and even priority for three-child families in school registration if applications exceed vacancies; use of Medisave insurance to pay for hospital expenses, and an increase in childcare facilities. In conjunction with the improvement in childcare provisions, a policy which became effective April 1 stipulates that all families with children placed in ministryapproved childcare centers receive a monthly subsidy of S$100.

In addition to these changes, a program to re-educate employers will stress flexibility toward working mothers' needs and encouragement of part-time and flexi-time work as well as "extended no-pay maternity leave and the retraining of women who rejoin the labour force." Fees for schooling will be altered so that starting January 1, 1988, fourth children will require a fee of S$1,000 for ward classes and a fee of S$1,300 for any child after the fourth. Improvement in public housing, or HDB flats, will be more readily available to families who have third children, and abortions will be counselled against under a compulsory pre- and post-abortion/sterilization counselling program. Finally, the SDU and SDS will continue to operate at an even more fervent pace.

Goh explains that the new policy is more practical and less aimed at any elite segment of Singaporean society. The policy was changed "so that those who are married can make up for those who are not, or who are underproducing," he said.

But despite all the perks offered to new groups, the implication remains that the government is primarily concerned with the drop in fertility among Chinese Singaporeans, especially educated Chinese. Official charts and graphs all illustrate this problem, showing population declines only among Chinese in contrast to replacement or growth for other ethnic groups. Yet leaders hesitate to be so blunt. They prefer not to state what foreign diplomats from neighboring countries are quick to voice. "The Chinese in Singapore are in absolute power. Yet Lee Kuan Yew is urging the Chinese to have more children so that the stability in Singapore's population structure will further strengthen the dominance of the Chinese on the island," reports Datuk Abdullah Ahmad, a Malaysian MP.

Reversing old policies is never an easy task, especially as a result of past success. "Stop at Two" families may feel themselves the product of bad timing. But the prospect of a large elderly population supported by shrinking numbers of employable youth forces the government to sit down at the analysis table and come up with viable alternatives. Like unpleasant medication, these alternatives so far have caused unprecedented side effects. Perhaps trial and error is needed to bring about the cure.

–Blayne Cutler is currently working for the Wilson Quarterly. *The author would like to thank Sean Greene for his help in compiling and selecting material for this article.*

The "Designer Gene" policy offered a weighty package of incentives for educated mothers to have more children and for uneducated mothers to have fewer.

MARKET TRENDS IN THE 1990s—THE UNITED KINGDOM

*B*asic shifts in affluence demography in the U.K. point to one thing—increasingly schizophrenic markets in the 1990s. Sharper divisions between Britain's have and have-nots in a time of rising overall affluence and the rise of new lifestyles have hastened the end of the mass market. These trends as well as demographic changes in the relative importance of specific age groupings herald new developments in British consumer markets in the 1990s.

GOODBYE YOUTH MARKET, HELLO EMPTY NEST AND YOUNG FAMILY MARKET

The youth market will decline as the numbers of those aged 15 to 24 decrease by 24 percent between 1986 and 1996. However, the young-family market—made up of people aged 25 to 44—will increase in importance as the baby boom enters into its prime family-formation years. This group will grow 13.5 percent between 1986 and 1996. Correspondingly, the baby-market will pick up speed, with the group of children under age 5 increasing in numbers by a projected 13.6 percent.

The numbers of people in the empty-nest grouping—those aged 45 to 59—will also increase (by about 12 percent over the same period), while the numbers of those over 60 remain relatively the same.

Not only will the youth market decline in importance due to decreasing numbers of 15-to-24-year-olds, but also as a result of declining affluence among this group. In 1986, youth unemployment stood at 21 percent, as compared to 13.5 percent for the total population.

RISING REAL DISPOSABLE INCOME

But the U.K.'s current high unemployment figures are not expected to slow the trend toward rising affluence in the U.K. Real disposable income has increased steadily since 1982, up 1.1 percent in 1982 over 1981, up 4 percent in 1983, 3.2 percent in 1984, and 3.8 percent in 1985. Total household disposable income in 1985 was 225.1 billion pounds, up from 161.6 billion pounds in 1981.

Personal disposable income is expected to continue to rise throughout the 1990s, marked, however, by increasingly sharper divisions in affluence between the employed and unemployed and between the young and those over age 25.

According to Sean Hamil and Gerard O'Neill of The Henley Centre, consumer spending will rise in the 1990s as children inherit property, especially homes, from their parents, and as credit facilities continue to expand. As gains from inheritance most often occur in middle age, the empty-nest grouping and some from the young-family grouping will benefit the most with income formerly tied up in paying mortgages freed for discretionary purchasing. Young families will also become more affluent as women increasingly join the workforce and more households become dual-income.

The Henley Centre predicts that real disposable income for married couples with children under five will rise from 24.7 billion pounds in 1985 to 28.5 billion pounds in 1990; for married couples with dependent children over five, from 34.7 billion pounds to 39.3 billion pounds; and for older couples from 15.6 billion pounds to 18.8 billion pounds.

HOUSEHOLD EXPENDITURE DIFFERS BY TYPE OF HOUSEHOLD

Looking at expenditure patterns can give marketers an overall picture of how the different types of households spend their income. Households with children in 1985, for example, spent more of their income on durable goods than any other group (see table below) and

PATTERN OF HOUSEHOLD EXPENDITURE IN THE UNITED KINGDOM BY HOUSEHOLD TYPE AND INCOME LEVEL[1], 1985

	Percentage of all households	*Percentage of reported expenditure* *Food*	*Housing*	*Fuel and light*	*Alcohol*	*Tobacco*	*Clothing and footwear*	*Durable household goods*	*Transport and vehicles*	*Other goods, services, miscellaneous*	*Average total expenditure (£s/week (=100%))*
Pensioner households[2]											
Low income	7	32.7	11.0	16.1	2.4	3.2	6.1	3.9	4.2	20.4	46.51
Other	4	27.3	16.4	11.9	3.6	3.9	6.5	3.3	5.5	21.7	65.01
One-parent households											
Low income	2	32.1	5.9	13.8	2.3	6.6	9.7	5.1	5.9	18.6	66.84
Other	1	21.0	17.4	6.8	2.1	2.3	11.7	5.3	11.9	21.5	125.61
Other households with children											
Low income	5	30.0	9.7	9.7	4.1	6.0	9.1	5.4	9.8	16.1	119.73
Middle income	22	22.0	15.4	5.6	4.6	2.8	8.2	7.7	14.5	19.1	199.08
High income	4	15.6	15.5	4.4	4.1	1.0	8.6	9.1	15.6	26.2	341.24
Other households without children											
Low income	6	25.7	15.7	10.0	5.3	5.2	5.9	4.6	10.8	16.7	80.03
Middle income	33	20.0	17.2	6.3	5.4	3.0	7.0	6.5	15.5	19.1	150.18
High income	16	15.5	17.4	4.5	5.4	1.8	6.4	8.1	18.8	22.0	226.15
All households	100	20.2	16.1	6.1	4.9	2.7	7.4	7.2	15.2	20.2	161.87
Low income	20	29.4	11.6	11.5	4.0	5.2	7.5	4.8	8.6	17.4	76.58
Middle income	60	21.1	16.3	6.2	5.0	2.9	7.5	6.9	14.8	19.2	161.88
High income	20	15.5	16.9	4.5	5.1	1.6	7.0	8.4	18.0	23.1	246.74

[1] *The income distribution used is that of equivalent normal net household income. Low income is defined here as the lowest 20 percent of this income distribution, middle income as the next 60 percent, and high income as the highest 20 percent.*

[2] *Pensioner households are defined as those households solely containing one or two persons of pensionable age.*

Source: Central Statistical Office, from Family Expenditure Survey.

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were by far more likely to have most types of durables shown in the table below, especially washing machines, deep-freezers, and home computers. Households without children, on the other hand, spent more on transport and vehicles and housing than any other group.

The table below shows trends in possession of durable goods by household type. Elderly households, for example, showed the greatest increase in ownership of color televisions, vacuum cleaners, refrigerators, washing machines, and telephones between 1973 and 1984 than any other household type.

***H*ouseholds with children were by far more likely to have most types of durables.**

POSSESSION OF DURABLE GOODS BY HOUSEHOLD TYPE, GREAT BRITAIN, 1973-1985

Percentage of households with:	*Elderly households*[1]			*Other households without children*[2]			*Other households with children*			*All households*			
	1973	*1979*	*1984*	*1973*	*1979*	*1984*	*1973*	*1979*	*1984*	*1973*	*1979*	*1984*	*1985*
Vacuum cleaner	83	90	—	90	93	—	90	95	—	88	93	—	—
Refrigerator[3]	63	85	92	83	93	95	86	96	97	78	92	94	95
Deep-freezer[3]	—	22	43	—	46	66	—	52	75	—	40	61	66
Washing machine	48	56	65	67	76	81	84	91	94	67	74	79	81
Tumble drier	—	9	14	—	19	31	—	28	46	—	19	29	33
Dishwasher	—	1	2	—	3	6	—	5	8	—	3	5	6
Telephone	35	55	73	50	72	81	50	74	80	45	67	78	81
Car	25	30	36	64	70	73	69	71	74	54	57	61	62
Central heating	30	46	59	38	56	67	49	65	74	39	55	66	69
Television													
Color	—	50	77	—	70	84	—	77	89	—	66	83	86
B & W only	90	45	20	95	26	13	98	22	10	95	31	14	11
Video	—	—	5	—	—	32	—	—	38	—	—	24	31
Home computer	—	—	1	—	—	9	—	—	18	—	—	9	13

[1] *One adult aged 60 or over, or two adults, one or both aged 60 or over.*

[2] *Includes households containing three adults with child.*

[3] *Fridge freezers are included in both Refrigerators and Deep-freezers.*

Source: General Household Survey.

special
report

HOW TO EVALUATE GLOBAL MARKETS

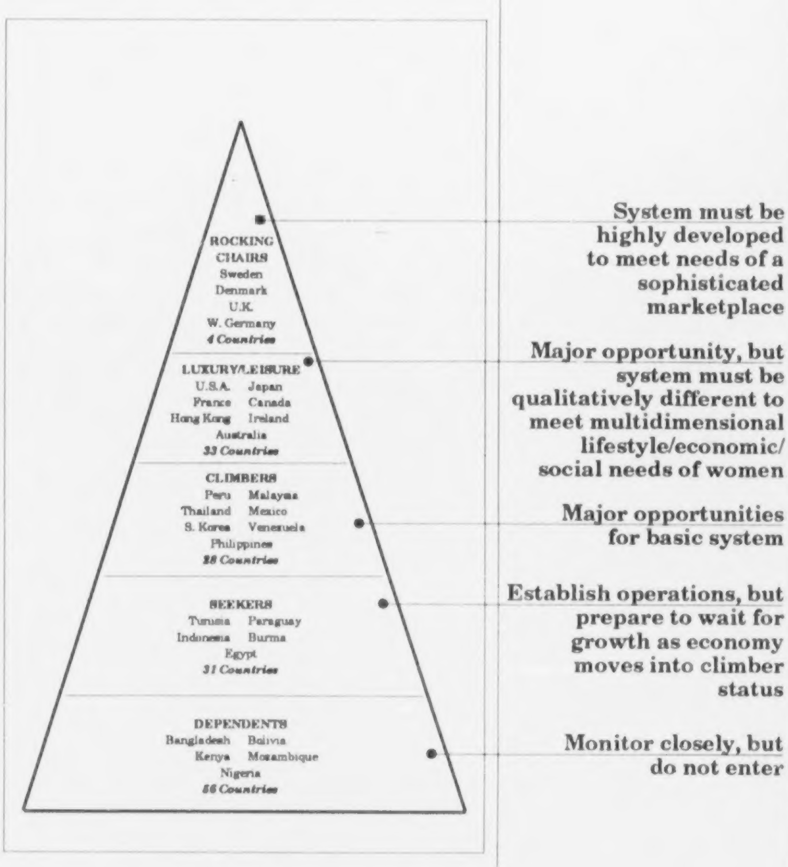
*G*oing global? Malcolm Aylett, group general manager for a division of The Gillette Company has a system that can help. Aylett presented an approach for evaluating the potential of new markets abroad at American Demographics' 7th annual Demographic Outlook Conference in June.

Armed with slides, charts, and extensive experience in the Asia Pacific region, Aylett stressed prioritization over intimidation. "There are a huge number of highly successful American companies operating in Japan," he stated. Aylett mentioned IBM, Schick, and Gillette, as just three companies now holding dominant shares of the Japanese market. He also emphasized that it was just as difficult for the Japanese to learn our "weird and wonderful" ways as it now is for American businessmen to learn theirs.

The system itself is simple and straightforward, with basic principles that make it a working model for almost any business. This seven-step approach begins with collective experience and an agreement on the indicators for both volume and potential success. These indicators are broken down into their component parts (GNP, per capita income, political/economic environment, etc.) and charted. Then, a numerical point scale is used to weight the relevant criteria. Companies and countries are evaluated accordingly.

The last area considered is more qualitative. It involves an adaption of the "Country Cluster" system developed by *Consumer Markets Abroad.* Essentially, this system classifies the world into five major groupings, according to their demographic characteristics. With this "pyramid of opportunity" (see below), chances for success are more easily determined. In the final analysis, certain countries emerge as strategic priorities, while others become candidates for divestiture or close-down.

Overall, Aylett's system functions to clarify the opportunities and minimize the risks involved with overseas marketing. To order the complete text of Aylett's presentation, see page 13, "Transcript of Consumer Markets Abroad seminar now available."


ROCKING CHAIRS
Sweden
Denmark
U.K.
W. Germany
4 Countries
LUXURY/LEISURE
U.S.A.
Japan
France
Canada
Hong Kong
Ireland
Australia
33 Countries
CLIMBERS
Peru
Malaysia
Thailand
Mexico
S. Korea
Venezuela
Philippines
28 Countries
SEEKERS
Tunisia
Paraguay
Indonesia
Burma
Egypt
31 Countries
DEPENDENTS
Bangladesh
Bolivia
Kenya
Mozambique
Nigeria
56 Countries
System must be highly developed to meet needs of a sophisticated marketplace
Major opportunity, but system must be qualitatively different to meet multidimensional lifestyle/economic/social needs of women
Major opportunities for basic system
Establish operations, but prepare to wait for growth as economy moves into climber status
Monitor closely, but do not enter

The Pyramid of Opportunity

publications

WORLD OUTLOOK

The World Economic Outlook, April 1987, International Monetary Fund, Washington, D.C., 194 pp., $US 89. Order from: International Monetary Fund, External Relations Department, Attention: Publications Unit, Washington, D.C. 20431.

The World Economic Outlook, prepared by the staff of the World Monetary Fund, provides a comprehensive assessment of world economic prospects. Published twice yearly, it gives short-to medium-term prospects for the world economy.

Based on detailed country-by-country knowledge of the Fund's economists, this volume presents trend analyses using a unique blend of insights on individual country as well as global perspectives. The World Economic Outlook provides historical statistics and projections for a wide range of variables of interest to policymakers. These include data related to output, prices, monetary and fiscal policy, trade, balance of payments, and debt.

World economic trends are disaggregated by region and analytical categories, into which countries are variously grouped.

The **World Economic Outlook,** April 1987 *and its companion, the* **World Economic Outlook, Revised Projections, October 1987,** *form the core of the World Economic and Financial Survey series. In addition to these two volumes, the series for 1987 will include:* Staff Studies for the World Economic Outlook; International Capital Markets, 1987; Primary Commodities: Market Developments and Outlook; Export Credits: Developments and Prospects; *and* Multilateral Official Debt Restructuring.

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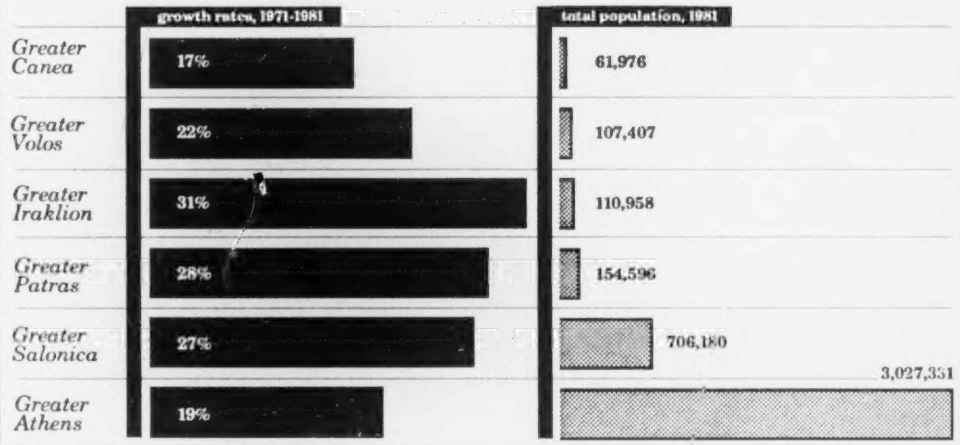
IN DEPTH/GREECE P. 1
WHAT THE NUMBERS MEAN P. 12
INSIDE INFORMATION P. 14
PUBLICATIONS P. 16

in depth

THE HELLENIC REPUBLIC OF GREECE

SMALLER METROS GROW FASTER THAN GREATER ATHENS

Growth rates (1971-1981) and total population(1981) in Greek metropolitan areas



Greece's capital city is bigger but slower growing than regional urban areas.

Market opportunities in Greece depend on income growth not increasing numbers of consumers.

With 10 million consumers and a slow population growth rate (less than 1 percent annually), market opportunities in Greece largely depend on income growth not increased numbers of consumers. Real disposable income rose steadily in the early 1980s, but much of this growth was stimulated by government expansionary policies. Because fiscal stimulus had a limited impact on domestic output, the new government elected in June 1985 instituted a stabilization package aimed at adjusting the economy. Due to the new government austerity policy, the general malaise of the Greek economy, and the persistence of strong inflationary pressures in the economy, real disposable income is not expected to rise in the near future.

ECONOMY TURNS IN DISAPPOINTING PERFORMANCE

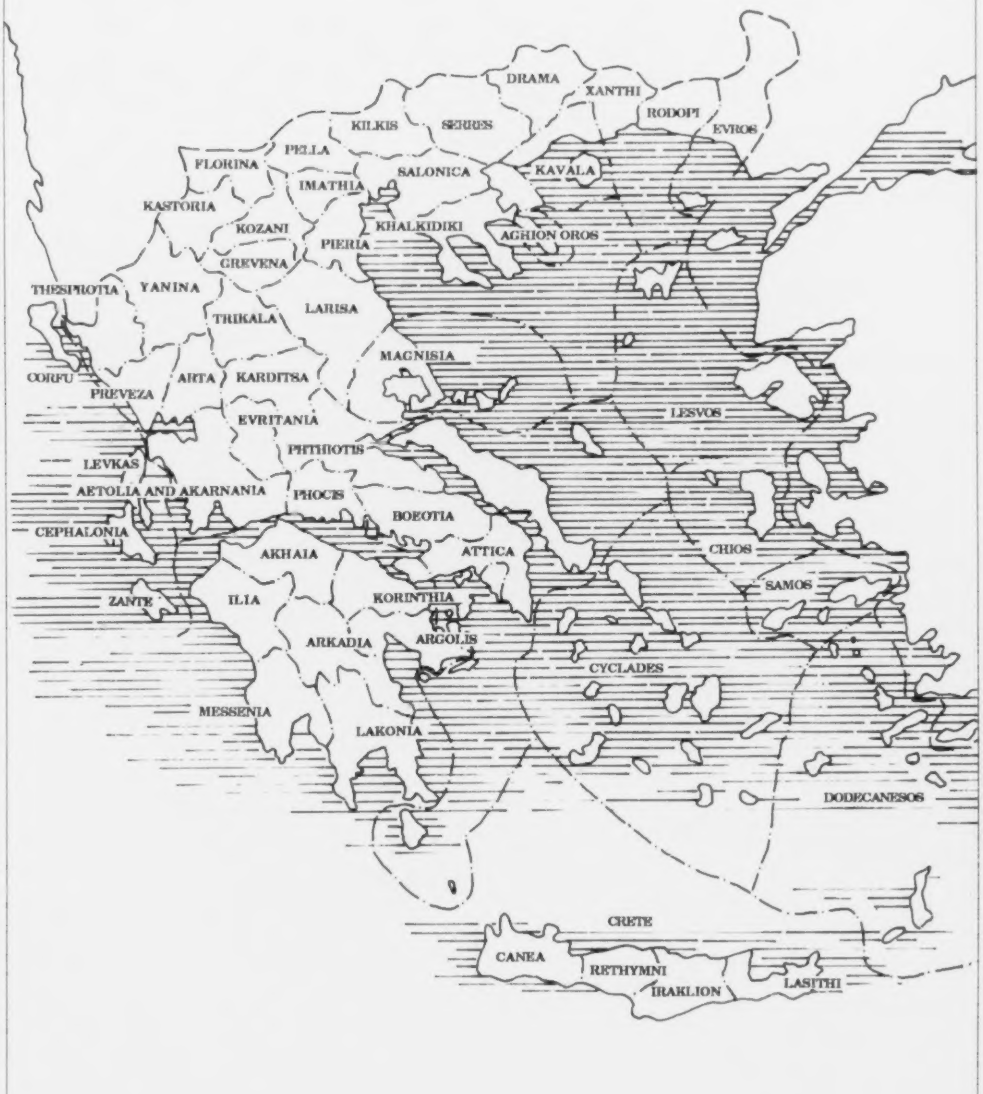
Due to large domestic and external imbalances, Greece's economy turned in a disappointing performance in the first half of the 1980s. The rise in oil prices and the subsequent world recession coupled with domestic inflationary policies pursued between 1979 and 1982 and widespread structural impediments to growth turned around an economy that had hitherto shown promise into one rife with problems.

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 6 NUMBER 9 SEPTEMBER 1987

Although the Greek economy began expanding again in 1984 after three years of virtual stagnation—merchandise export volume grew by about 12 percent due in part to buoyant agricultural output—the recovery lost momentum in 1985.

Slow output growth accompanied by the persistence of strong underlying inflation and rising unemployment are ongoing problems in the Greek economy. Greece's external position has also deteriorated, with foreign indebtedness increasing rapidly due to the economy's lack of adjustment to successive oil shocks and the deterioration of external competitiveness. Export performance has worsened, with

DEPARTMENTS OF GREECE, 1981


DRAMA
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RODOPI
EVROS
KILKIS
SERRES
PELLA
FLORINA
IMATHIA
SALONICA
KAVALA
KASTORIA
KOZANI
KHALKIDIKI
AGHION OROS
PIERIA
GREVENA
THESPROTIA
YANINA
LARISA
TRIKALA
MAGNISIA
CORFU
ARTA
KARDITSA
PREVEZA
LESVOS
EVRITANIA
PHTHIOTIS
LEVKAS
AETOLIA AND AKARNANIA
PHOCIS
BOEOTIA
CEPHALONIA
AKHAIA
ATTICA
CHIOS
SAMOS
ZANTE
ILIA
KORINTHIA
ARKADIA
ARGOLIS
CYCLADES
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Consumer markets abroad

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import penetration increasing sharply. This is due in part to insufficient private sector and government preparation for Greece's entry into the European Economic Community in 1981 which dismantled many tariffs and other protectionist measures. In addition, the manufacturing industry did not keep up with the changing composition of domestic consumer demand. As Greece's standard of living rose, increasing consumer demand for electronic consumer durables and other technologically advanced products, investment continued to be focused on traditional sectors such as textiles, clothing, and food, allowing increased import penetration.

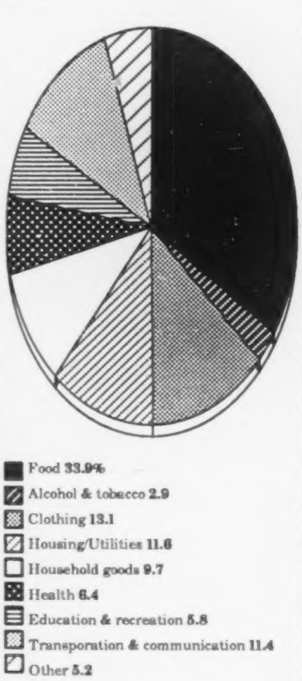
GRECIAN CITIES

Population of cities with 10,000 or more inhabitants at the 1981 census

City	*1981 population*	*City*	*1981 population*
Greater Athens	3,027,331	Ptolemais	22,109
Greater Salonica	706,180	Pyrgos	21,958
Greater Patras	154,596	Tripolis	21,311
Greater Iraklion (Crete)	110,958	Yiannitsa	21,082
Greater Volos	107,407	Argos	20,702
Larisa	102,048	Salamis	20,437
Greater Canea	61,976	Eleusis	20,320
Kavala	56,375	Naousa	19,383
Serres	45,213	Thebes	18,712
Greater Agrinion	45,087	Arta	18,283
Chalkis	44,867	Rethymnon	17,736
Yanina	44,829	Megara	17,719
Greater Kalamata	43,235	Kastoria	17,133
Lamia	41,667	Levadia	16,864
Trikala	40,857	Ano Liosia	16,862
Rhodes	40,392	Greater Ermoupolis	16,595
Acharnae	40,185	Edessa	16,054
Greater Katerini	39,895	Amalias	14,698
Verria	37,087	Greater Sparta	14,388
Drama	36,109	Orestias	12,685
Alexandroupolis	34,535	Preveza	12,662
Komotini	34,051	Florina	12,562
Corfu	33,561	Aspropyrgos	11,816
Xanthi	31,541	Kos	11,851
Kozani	30,994	Koropi	11,214
Greater Chios	29,742	Kilkis	11,148
Karditsa	27,291	Tirnavos	10,965
Greater Aegion	25,723	Nafplion	10,609
Mytilini	24,115	Alexandria	10,543
Corinth	22,658	Messolonghi	10,164
		Kalymnos	10,118

Source: Statistical Yearbook of Greece, *1985.*

HOUSEHOLD EXPENDITURES, 1982



PRIVATE CONSUMPTION GROWS IN THE 1980s

During the early 1980s, private consumption in Greece rose steadily—up 1 percent in 1981, 2.6 percent in 1982, 0.7 percent in 1983, and 1.1 percent in 1984—reflecting an overall rise in household real disposable income. During 1984, real disposable income rose steadily due to a big rise in farm income and the public sector wage and salary bill which granted substantial pay raises. Real disposable income rose 2.8 percent in 1981, 0.7 percent in 1982, -0.3 percent in 1983, and 3 percent in 1984. Although the rise in real disposable income leveled off in 1985, private consumption continued to expand due in part to a declining savings rate.

Imported durables and cars have been hot items since 1982. Greeks tend to see the purchase of a car as a long-term investment, with the average life of a car about 15 years. The price of medium-sized cars in Greece is about twice as high as in most other OECD countries; larger cars cost three to four times as much. Housing weakened as an alternative investment opportunity due in part to the trend toward slower urbanization. Investment in housing by 1985 was about half what it had been in the late 1970s.

HOUSEHOLD EXPENDITURE ON DURABLES, CLOTHING, AND FOOTWEAR UP

Greek household expenditure patterns between 1974 and 1982 show rising expenditures on clothing and footwear; durable household goods; health and personal care; education, culture, and recreation; and transportation and communication (see charts on pages 4 and 6). The share of total household expenditures on alcoholic drinks and tobacco fell from 4.1 percent of total expenditure in 1974 to 2.9 percent in 1982. Expenditures on food also fell from 36.2 percent of total expenditure to 33.9 percent during the same period. Another declining category was housing, water, fuel, and light—from 12.8 percent of total expenditure in 1974 to 11.6 percent in 1982.

Analysis of expenditure patterns by income group show that wealthy consumers spend considerably more on health, recreation, and transportation, and less on clothes, housing and food than lower- and middle-class Greeks. Urban dwellers spend less on food, but more on housing than their rural counterparts. They also outspend rural dwellers on transportation, communication, and recreation.

GROSS DEOMESTIC PRODUCT PER INHABITANT LOWEST IN EUROPEAN COMMUNITY

One way to compare purchasing power in Greece with purchasing power in EC country counterparts is to convert the national curriencies to purchasing power parities. Using this Purchasing Power Standard (PPS) along with the European Currency Unit (ECU) can give marketers a general idea of how the gross domestic product per inhabitant in Greece compares with that of other EC countries.

Compared this way, Greece falls way below such countries as West Germany, Luxembourg, Denmark, the Netherlands, Belgium, France, and the United Kingdom in GDP per inhabitant, lining up more closely with Ireland and Italy. Greece's GDP per inhabitant in 1980 of about 40 ECUs is only about one third of

WHERE THEY LIVE

Population, percent increase (1971-81) and density of Greek geographic regions and departments by the 1981 census

Geographic regions and departments	*Population (1981)*	*% increase (1971-81)*	*Density (per sq. km.)*
Total	**9,740,417**	**11.1**	**73.8**
Greater Athens	**3,027,331**	**19.2**	**7,089.8**
Rest of central Greece and Euboea	**1,099,841**	**11.0**	**45.1**
Aetolla and Akarnania	219,764	-4.0	40.2
Attica (rest)	342,093	32.8	101.2
Bocotia	117,175	9.0	39.7
Euboea	188,410	9.2	45.2
Evritania	26,182	-4.5	14.0
Phthiotis	161,995	4.1	36.5
Phocis	44,222	6.9	20.9
Peloponnesos	**1,012,528**	**2.6**	**47.4**
Argolis	93,020	4.9	43.2
Arkadia	107,932	-3.0	24.4
Akhaia	275,193	14.3	84.1
Ilia (Elis)	160,305	-2.3	61.2
Korinthia	123,042	8.8	53.7
Lakonia	93,218	-2.7	25.6
Messenia	159,818	-7.7	53.4
Ionian Islands	**182,651**	**-1.0**	**79.2**
Zante	30,014	-0.6	73.9
Corfu	99,477	7.0	155.2
Cephalonia	31,297	-12.9	34.6
Levkas	21,863	-13.8	61.4
Epirus	**324,541**	**4.6**	**35.3**
Arta	80,044	0.4	48.2
Thesprotia	41,278	1.5	27.2
Yanina	147,304	9.4	29.5
Prevcza	55,915	1.2	54.0
Thessaly	**695,654**	**5.2**	**49.6**
Karditsa	124,930	-6.1	47.4
Larisa	254,295	9.1	47.3
Magnisia	182,222	12.9	69.1
Trikala	134,207	0.6	39.7
Macedonia	**2,121,953**	**12.2**	**62.1**
Grevena	36,421	5.1	15.9
Drama	94,772	4.1	27.3
Imathia	133,750	13.9	78.6
Salonica	871,580	22.4	236.6
Kavala	135,218	11.2	64.1
Kastoria	53,169	14.6	30.9
Kilkis	81,562	-2.0	32.4
Kozani	147,051	10.2	41.8
Pella	132,386	5.0	52.8
Pieria	106,859	15.7	70.5
Serres	196,247	-3.3	49.5
Florina	52,430	-3.6	27.3
Khalkidiki	79,036	7.7	27.1
Aghion Oros*	1,472	-15.0	4.4
Thrace	**345,220**	**4.7**	**40.2**
Evros	148,486	6.8	35.0
Xanthi	88,777	7.1	49.5
Rodopi	107,957	0.3	42.5
Aegean Islands	**428,533**	**2.6**	**47.0**
Dodecanesos	145,071	19.9	53.5
Cyclades	88,458	2.5	34.4
Lesvos	104,620	-8.9	48.6
Samos	40,519	-2.9	52.1
Chios	49,865	-7.6	55.2
Crete	**502,165**	**10.0**	**60.2**
Iraklion	243,622	16.2	92.2
Lasithi	70,053	5.8	38.4
Rethymni	62,634	2.8	41.9
Canea	125,856	5.1	53.0

** Aghion Oros does not constitute a department, but an autonomous administration.*

Source: Statistical Yearbook of Greece, *1985.*

Greece's GDP per inhabitant in 1980 of about 40 ECUs is only about one-third of that of West Germany and just below that of Ireland (50 ECUs)

that of West Germany and just below that of Ireland (50 ECUs), making it the lowest GDP per person in the European Community. In terms of PPSs, however, Greece's GDP per person is about equal to that of Ireland's.

OWNERSHIP OF CONSUMER DURABLES ON THE RISE

A European from an EC member country is twice as likely on average to own a telephone or a TV and three times as likely to own a car than a Greek. In 1980, Greece registered 92 private cars per 1,000 inhabitants, up from 5 per 1,000 inhabitants in 1960. Despite rising car ownership, Greece still lagged behind the average figure for EC countries—317 cars per 1,000 inhabitants. By 1980, Greece had 147 TVs per 1,000 inhabitants, as compared to an average of 306 per 1,000 inhabitants for EC countries. Telephone ownership also rose dramatically between 1960 and 1980 in Greece, from 23 telephones per 1,000 inhabitants to 291 telephones per 1,000 inhabitants.

Along with the rapid increase in TV ownership came a shift to advertising on TV. In 1981, 50 percent of advertising expenditures went to TV; 24 percent to newspapers; 18 percent to magazines; 6 percent to radio; and 2 percent to posters.

URBANIZATION SLOWS IN THE 1980s

Greece's urban population grew at an average annual rate of 2.5 percent between 1965 and 1984. However, by the early 1980s, the growth of cities of 20,000 inhabitants or more had fallen to an average of about 1.1 percent annually.

Correspondingly, rural population declined by -1.6 percent annually. In 1965, 48 percent of the total population lived in rural areas. By 1986, this proportion had fallen to 34 percent.

Although urbanization has slowed, Greece will continue to urbanize. By the year 2000, 75 percent of Greece is projected to be urban, up from the present proportion of 66 percent. Increased ur-

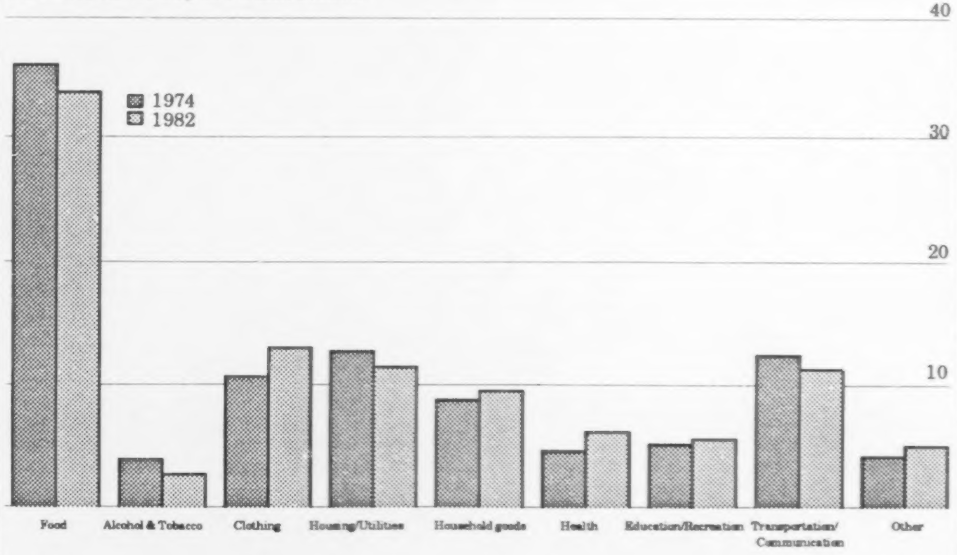
By 2000, 75 percent of Greece will be urbanized.

Increased urbanization will up demands for urban housing and for household furnishings and durables.

By the year 2000, 16 percent of Greeks will be age 65 and over.

Consumption demands of an urban and aging Greece will center on health, recreation, and transportation.

HOUSEHOLD EXPENDITURES BY CATEGORY 1974 AND 1982, IN PERCENT



banization should raise the demand for urban housing, transportation, sanitation, and communication.

Greece only has two cities of over a half million population—the 1981 census counted 3 million residents in Greater Athens and 706,180 inhabitants in Greater Salonica (see table on page 3).

The Greater Athens geographic region grew by about 19 percent between 1971 and 1981. Only Crete (10 percent), the rest of central Greece and Euoboea (11 percent), and Macedonia (12.2 percent) grew at broadly comparable rates during the same period.

Of Greece's departments (see map), Attica and Salonica grew the fastest during the period 1971 to 1981, 32.8 percent and 22.4 percent, respectively (see table on page 5). Other fast-growing departments include Akhaia (14.3 percent), Magnisia (12.9 percent), Imathia (13.9 percent), and Iraklion (16.2 percent).

GREATER ATHENS DOMINATES THE NATION

Just over half of Greece's urban population and just over one-third of the total population now lives in the Greater Athens metropolitan area. The sprawling megalopolis of Greater Athens now houses about 3.5 million people. And the city is still growing. Every year about 100,000 in-migrants come to Greater Athens.

Pollution and traffic congestion are ever-present reminders of Athen's inability to control its own growth. Add to that the shortage of parks, high cost of housing, and poor sanitation by European standards, and it is no wonder that four out of five Athenians in a recent poll stated that they were dissatisfied with life in the captial.

The new mayor, Mr. Miltiadis Evert, has pledged to correct Athen's woes, but has little direct power to do so. Responsibility for town-planning, traffic control, sewerage, water supply, and monument preservation lies in the hands of the central government. However, undaunted by the government's push to curtail public expenditures, Mr. Evert is asking the central government for about $360 million in aid to turn the capital into an international financial and cultural center.

GREEK POPULATION SLIGHTLY YOUNGER THAN EC AVERAGE

The Greek population is slightly younger than the total population of EC countries, with a median age of 34.3 years. In 1981, about 22.4 percent of the Greek population was under age 15, as compared with an average of 21.1 percent for all EC countries. Youth aged 15 to 24 accounted for 14.7 percent of the population, as compared with an average of 15.8 percent of the total population of EC countries. The working age population of Greece (aged 25 to 64) accounted for about the same share of the total population as did the average for all EC countries—49.6 percent as compared to 49 percent. But the share of elderly was significantly less than the average of EC countries—12.3 percent opposed to 14.1 percent.

GREEK WOMEN HAVING FEWER BABIES

Greece differs from other EC countries in significant ways. Not only is it one of the EC's poorest countries—GDP per capita in 1984 of $3380 with about 30 percent of its labor force still working in agriculture (the highest proportion in the EC)—but it has gone through Europe's second demographic transition to lowered fertility later than most Western European

A European from an EC member country is twice as likely on average to own a telephone or a TV and three times as likely to own a car than a Greek.

***In* Greece, the total fertility rate has fallen, indicating that the country has undoubtedly begun the transition to eventual population decline.**

countries.

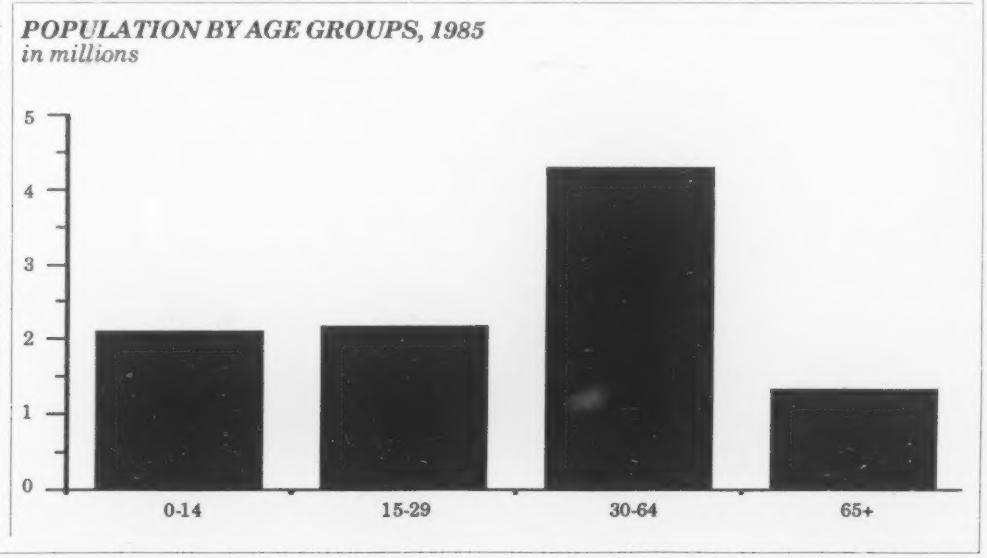
In the 1930s, death and birthrates were at low levels all across Europe. They rose during the baby boom that followed World War II, but by 1965 had begun to fall again. According to demographer Dirk J. van de Kaa, the "principal demographic feature" of this transition is a decline in fertility rates to well below replacement rates. (The number of births a society needs to just replace itself is 2.1 births per woman.) If fertility rates stabilize at below-replacement levels, population numbers will eventually decline.

By examining what he believes to be the sequence of changes leading to the drop in fertility rates, van de Kaa places each European country in the context of the transition. While the fertility decline of the 1930s was characterized by a concern for the family during the depression, van de Kaa sees the current trend toward smaller families and fewer children as a general movement towards individualism and self-fulfillment leading to a shift away from marriage and parenthood.

Denmark and Sweden are the only two countries to have completed the sequence of changes leading to very low fertility rates. In fact, it appears that total fertility rates may have reached their low points in these countries in 1984. In Denmark, the average number of lifetime births per woman of childbearing age fell from 2.54 children per woman in 1960 to 1.4 children per woman in 1984, but rose to 1.45 in 1985. In Sweden, the rate fell from 2.17 to 1.65 births per woman and then rose to 1.73. It appears then that these two countries have not only completed the demographic transition, but have begun to reverse the trend.

In Greece, the total fertility rate has fallen, indicating that the country has undoubtedly begun the transition. The total fertility rate fell from 2.23 children per woman in 1960 to 1.82 children per woman in 1984. It is interesting to note, however, that Greece's neighbor, Turkey, had a total fertility rate of 3.8 in 1985.

The net reproduction rate has fallen as well, having reached a level below 1.00 in 1981. (A level of 1.00 means that each generation of women is having exactly enough daughters to replace itself in the


POPULATION BY AGE GROUPS, 1985
in millions

population). At the same time, Sweden and Denmark had net reproduction rates of .70 and .80 respectively, having crossed the barrier of 1.00 early in the 1970s. In both Sweden and Denmark, however, the rates have since turned upwards, while in Greece the rate continues downwards.

Evidence of the transition in Greece can also be found in the total first marriage rate. Between 1965 and 1985, the number of first marriages per 1,000 never-married persons dropped 26.5 percent for men and 16.8 percent for women with the real changes beginning in the late 1970s. During the same period, the Swedish total first marriage rate dropped 51.4 percent for men and 46.3 percent for women. However, in Sweden, the change began about ten years earlier.

The marriage rate per 1,000 inhabitants in Greece has fallen as well, from 7.7 percent in 1970, to 5.3 in 1984. As with the fertility rate, Turkey has a much higher marriage rate—6.9 marriages per 1,000 inhabitants in 1984. The number of marriages may have declined, but the number of out-of-wedlock births is still a small percentage of all births in Greece (1.6 percent in 1983). This indicates that attitudes have begun to change, but that there is still no trend towards greater tolerance of illegitimate births as in Sweden, where out-of-wedlock births accounted for 46 percent of all births in 1985.

What there is great tolerance for is abortion. Greece has the highest abortion rate in Western Europe. Contraception was only legalized in 1980, and family planning services are still inadequate.

Both marriage patterns and fertility behavior affect household composition and size. The trend is towards smaller households with a large increase in the number of people living alone. In 1980, for example, 33 percent of Swedish households consisted of one person, up from 20 percent in 1960, and only 6 percent of households had five or more persons, down from 13 percent of all households in 1960. In Greece, the same pattern emerged. In 1951, 9 percent of all households in Greece were one person households. By 1979, that figure had risen to 11 percent. On the other end of the spectrum, 39 percent of all households in 1951 consisted of five or more persons, but by 1979 that share had declined to only 22 percent.

AGRICULTURAL SECTOR EMPLOYS ONE OUT OF THREE GREEK WORKERS

In 1982, 28.9 percent of the 3.5 million Greek employees worked in agriculture, as compared with 7.6 percent of all EC workers; 29.2 percent in industry as compared with 36.2 percent of all EC workers; and 41.9 percent in services, as compared with 56.2 percent of all EC workers. The high level of employment in agriculture is one factor contributing to the low annual GNP per capita of only $3,770. Unskilled workers—the ones usually found in agriculture—earn, on average, only one-only one-quarter as much as a secretary or one-third as much as a bank teller.

In 1951, 9 percent of all households in Greece were one person households. By 1979, that figure had risen to 11 percent.

Current trends in employment point to increasing service sector employment, especially in the public sector. Employment increased modestly in 1984-85, with agricultural employment off slightly and dependent employment and self-employment in the service sector offsetting this loss. Employment in services outpaced all other categories, averaging 3 percent annually between 1982 and 1985, due largely to increased employment in the public sector and banking.

Life expectancy at birth for men is 70.1 years, as compared with an average of 68.7 years for EC country inhabitants, and 73.6 for women, as compared with an average of 75.1 years for EC country women.

Private service sector employment growth remained flat in 1984 and 1985. Employment in manufacturing declined by about 2.5 percent between 1982 and 1985.

Unemployment rose slowly reaching 8 percent of the work force in mid-1985. Urban unemployment was higher at about 10 percent, with youths hit particularly hard. About 60 percent of the unemployed in mid-1985 were estimated to be youths under age 25.

ELDERLY TO INCREASE SLOWLY

Of Greece's nearly 10 million people, only a fifth are age 15 and under. Thirteen percent of the population are age 65 and older. The median age in Greece is about 34 years. The age 65 and older group is projected to increase slowly—from 13.4 percent of the population in 1990 to 16.1 percent of the population by the turn of the century.

The group under age 15 will be fairly stable at 20 percent of the population through the year 2000, given current expected trends in birth and death rates. Greece should have no problems supplying new entrants for the labor force from now through the year 2000, even though its birthrate is only 11.8 births per 1,000 and its annual population growth rate less than 1 percent. Training workers fast enough to meet Greece's goal of rapid industrialization, however, despite a high priority being placed on vocational training, is another thing.

WOMEN HAVE A LONG WAY TO GO

The role of women is important in Greece because it accounts for some of the factors that have kept Greece from full modernization. Among women in the appropriate age groups in Greece, only 76 percent are enrolled in secondary education, compared to 86 percent of boys. In total, only 17 percent of the population aged 20 to 24 are enrolled in college. Three times as many men as women have completed a college degree. Literacy figures show that only about 76 percent of women are literate, compared with 93 percent of men.

Women account for only 35 percent of the labor force. Employment opportunites are limited for women, in part because the service industry has been slow to grow in Greece. Only about 40 percent of the work force find employment in services, where women have traditionally found the most opportunity.

Women are part of the labor force in nearly equal proportions in rural and urban areas. The difference is in the kind of work that they do. In Greece as a whole, 52 percent of working women are salaried employees, 28 percent are non-paid family members, and less than 1 percent are employers. In urban areas, 4 percent are employers, 66 percent are salaried employees, and only 2 percent are considered non-paid family members.

HOUSEHOLD SIZE ON THE DECLINE

Greece shares with other European countries declining household size. In 1971, there were 2.5 million households in Greece. Now there are nearly 3 million households with an average size of 3.2 persons per household, down from 3.4 persons per household in 1971. The number of marriages has remained fairly stable since the 1960s, rising to 9.4 per 1,000 people in 1965, going as low as 6.5 per 1,000 people in 1980, and rising again in 1982 to 7.4 per 1,000 people. Greece had the highest marriage rate of all EC countries in 1982—7.4 per 1,000 people, as compeople, as compared with an average of 6 per 1,000 inhabitants of EC countries.

Still, only 51 percent of the population are married. Nearly 42 percent have never married, 6 percent are widowed, and less than 1 percent are divorced, attesting to the sancity of marriage in this country once it occurs. The divorce rate in 1980 was 0.7 per 1,000 marriages, as compared with the average of 1.5 divorces per 1,000 marriages in EC countries. Greece is one of the European countries where there are more never-married men than women.

EDUCATION STILL A PROBLEM

Education, or the lack of it, is important to an understanding of Greece. Nearly 16 percent of the population aged 10 and older had not completed primary school in 1981. In 1981, only 4 percent of the population had completed higher education, according to data from the 10 percent sample of the census. Including the 4 percent who have completed higher education, 21 percent of the population aged 10 and older have completed high school and/or attained some education beyond secondary school. Complusory education through high school (nine years of schooling) was instituted in 1981, so subsequent census figures should show increasing shares of the population to be better educated.

SOURCES

The best source of demographic and social information on Greece is the National Statistical Service of Greece. The function of this organization is to compile and analyse the country's basic statistical data of general interest, including the various censuses; to collect and analyse statistical data of special interest; and to co-ordinate the statistical work carried out by the world's various statistical organizations. Some publications are available in English and also in French. For a list of their publications, write National Statistical Service of Greece, 14-16 Lycourgou Street, Athens 12.

Of their publications, the *Statistical Yearbook of Greece* is the easiest to use. It can be purchased for $US 10. Its main sections cover territory and climate, population, employment and unemployment, public health, social welfare and insurance, education, prices and household expenditure, and many other areas of interest.

Many publications from the European Community—Eurostat publications—are also useful when researching Greece. These publications place Greece within the context of its EC community counterparts. To order a catalog listing Eurostat publications, call the European Community Information Service at (202) 862-9500, or write to the same at 2100 M Street, NW, Suite 707, Washington, D.C. 20037. Some excellent statistical publications include *Demographic Statistics*, *Family Budgets: Comparative Tables*, *Labour Force Survey*, *Employment and Unemployment*, *Social Indicators*, and *Regions—Statistical Yearbook*.

The OECD publication *OECD Economic Surveys 1985/86: Greece* gives a detailed economic overview of Greece, including a discussion of the causes of Greece's current economic woes and an analysis of the new government's stabilization plan for the economy. To order, call the OECD Publications and Information Center at (202) 724-1857 or write the same at 1750 Pennsylvania Avenue, NW, Washington, D.C. 20006-4582.

--Denise Rusoff

Greece shares with other European countries declining household size.

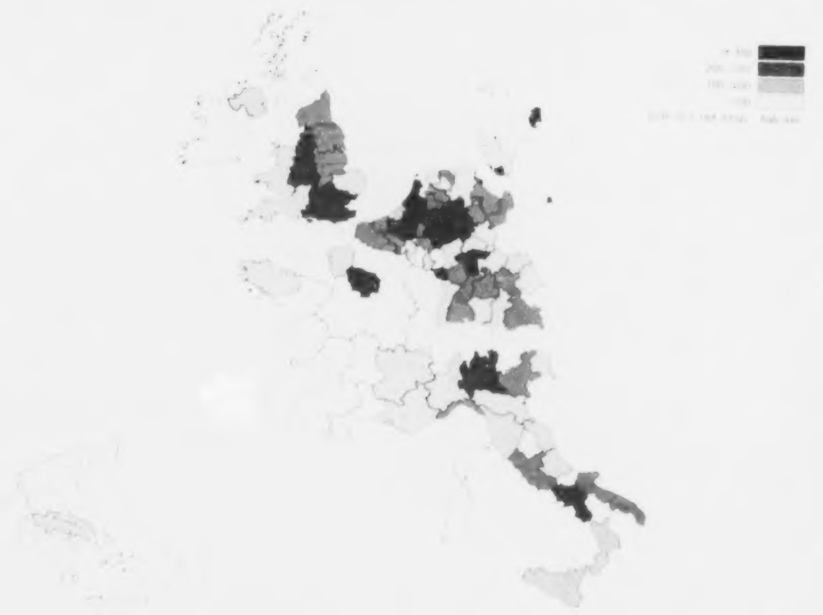
Japan's New Consumers ***available in September!***

What surprising lifestyles and attitudes have young Japanese adopted contrary to the traditional values of their parents? Why are elderly Japanese women divorcing their retired husbands at an alarming rate? Is western-style individuality in Japan a passing fad or is it the wave of the future? What do these changes in the social fabric of one of the world's oldest- and wealthiest--cultures mean to foreign marketers? Find out in **Japan's New Consumers,** *a new hardbound special report from* Consumer Markets Abroad, *published by American Demographics. To order or to receive more information fill out and return the card in this issue or call toll free 1-800-828-1133 for faster service.*

GREECE IN THE EC-- HOW IT STACKS UP

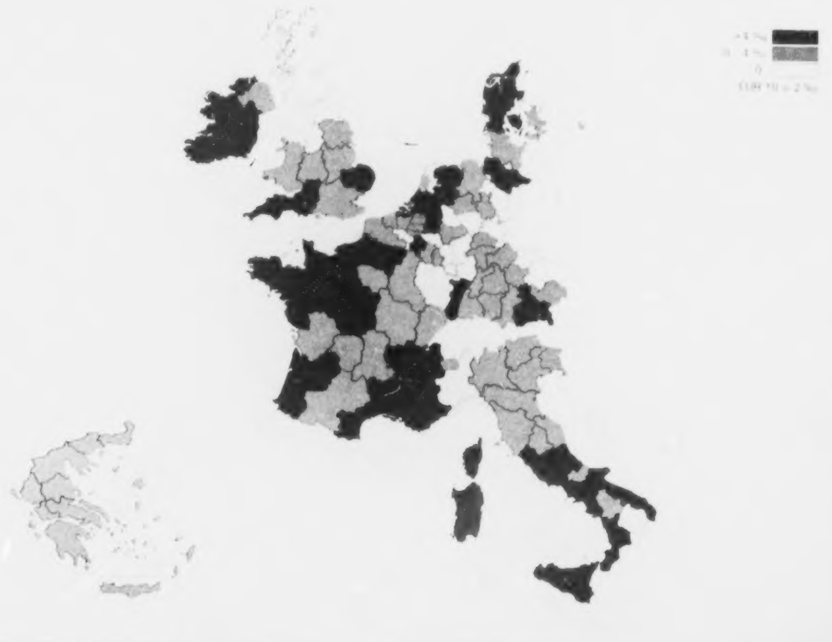
Less dense

Although one in three Greeks live in the Greater Athens area, its population density cannot compare to that of Paris, London, or Rome.
POPULATION DENSITY, 1983



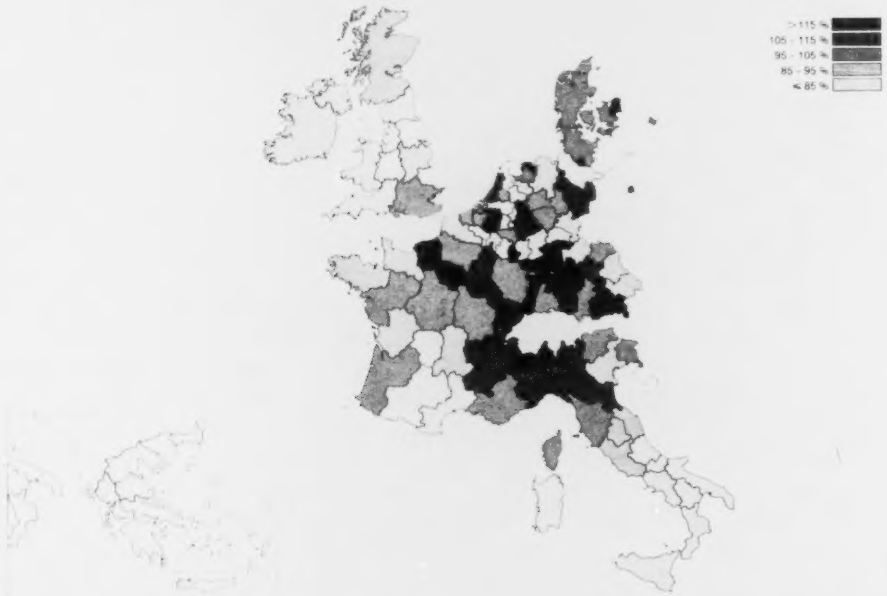
Growing more slowly

Greece's population growth rate of less than 1 percent annually trails the EC average of 2 percent.
ANNUAL RATE OF CHANGE OF POPULATION, 1975-1983



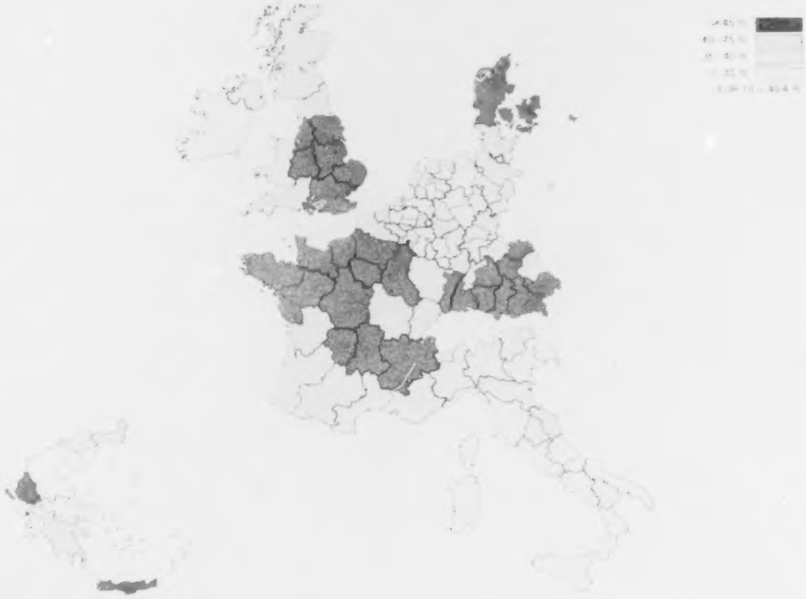
Poorer

Greece's GDP per head is the lowest in the EC.
GROSS DOMESTIC PRODUCT PER INHABITANT 1980-EUR 10 (PPS)=100



Fewer women at work

Women account for only about 35 percent of the labor force.
ACTIVITY RATE, WOMEN, 1984



Source: Eurostat

inside information

THE GOOD, THE BAD, AND THE ENNUI OF GREEK YOUTH

Ask a young Greek about family, country, or love, and you will get an inspired response. Ask them about their amusements, their holiday plans, and their attitudes toward life in general, and you're likely to sense some dissatisfaction. These and other revelations are discussed in The Young Europeans, which reports the findings of an opinion survey of European youths aged 15 to 24 conducted by the Commission of European Communities in late 1982. This exploratory study gives a marketer a look at Greek youth and how they differ from their EC counterparts.

Greek youths aged 15 to 24 tend to live with their parents. Sixty-one percent of the nearly 400 Greek youths surveyed indicated that they got along "very well" with Mom and Dad, as compared with 30 percent of German youth. Whether living at home, alone, or in some other arrangement, young Greeks were generally satisfied with their housing accommodations. Forty-three percent were "very" pleased with their living situation, while 8 percent indicated "poor" or "unsatisfactory" arrangements.

Romance thrives in Greece. No other EC country youths responded as positively to the question of their satisfaction with life as far as love and romance is concerned as did the young Greeks-- outdistancing even the amorous Belgians, 70 percent versus 63 percent. Together with Irish youths, young Greeks revel in the company of friends. A full 80 percent of Greek youth surveyed responded very favorably concerning their relationships with friends.

Together with Irish youths, young Greeks revel in the company of friends.

The survey also shows that regional concerns are especially important to the young people of Greece. Urgent social problems, arts and entertainment, the lifestyles of their European neighbors, and the protection of nature are the issues that inspire these young people most. Young Greek men express a strong interest in both national and international politics; young women tend towards the arts and environmental concerns.

Greek youth also feel more positively about their job and career potentials than their EC counterparts. But when it comes to amusements, holiday activities, and satisfaction with life in general, their generally optomistic attitude turns to discontent. When asked about the life they lead and their satisfaction with it, Greek youths bottomed-out with an unusually high proportion of negative responses. The reason for this is not clear, states the report, but is probably bound up in a complex of socio-economic and cultural factors.

But one thing is certain. Nineteen percent of the Greek youths surveyed indicated "financial difficulties" as a major source of dissatisfaction--the highest proportion for any EC country.

--Franklin A. Crawford

CANADA AND EUROPE

NORTH AMERICA

High-income Canadians buy VCRs and microwaves Purchases by high-income Canadians are increasingly driving the consumer market in Canada. The fastest growing consumer items in Canada in 1986--microwave ovens and VCRs--show large differences in ownership between different income groups. Microwave ovens, for example, were found in about 54 percent of households with incomes of Canadian $ 55,000 and over, but in only 12 percent of those with incomes under Canadian $10,000. VCR ownership showed even larger disparities, with 58 percent of $55,000-and-over households but only 11 percent of under-$10,000 households owning VCRs.

In 1986, 62.6 percent of all Canadians owned their own homes. Ownership rates varied between about 87 percent of households with incomes of $55,000 and over and 34 percent of households with incomes of under $10,000.

But when it came to necessities such as bath and toilet facilities, telephones, radios and refrigerators, Canadian households showed little variance in ownership rates. Television ownership, for example, showed the least variance, with 97 percent of under-$10,000 households and 99 percent of $55,000-and-above households in possession of TVs.

These and other findings are reported in Household Facilities by Income and Other Characteristics, a report published by Statistics Canada. This report provides the latest data on ownership and dwelling characteristics and household goods. For further information or to order, contact the Household Surveys Division of Statistics Canada at (613) 991-2211.

Europeans open to idea of "United States of Europe" The United States of Europe? Just the words evoke controversy. But in some surprising results of the EC Commission's yearly public opinion poll on EC membership, Europeans confounded their pollsters by responding favorably to the idea.

Among the EC 12, two out of three Europeans were "for" or "somewhat for" the EC developing into a "United States of Europe." In Italy, Luxembourg, Belgium, France, Portugal, Greece, Spain, the Netherlands, and West Germany, over 70 percent of those polled favored a United States of Europe. Ireland, the United Kingdom, and Denmark registered lower proportions of those in favor--67 percent, 52 percent, and 40 percent, respectively.

Spain and Portugal of the new members of the EC show more European orientation than Greece and Ireland. And even the British are showing an increasing liking for this concept. Today, 52 percent of those polled in Britain favored the United States of Europe, up from 30 percent in 1970. Only 37 percent remain hostile to the idea, down from 48 percent in 1970.

Pollsters also asked respondents to indicate the time period in which they would entrust the responsibility for economy, foreign affairs, and defense to such a union. Forty-seven percent said they would entrust the government of Europe to a "United States of Europe" in as little as the next 20 years. Only 16 percent were against such a development in their lifetimes.

EUROPE

Further, only one in five Europeans stated that they believed that European unity meant sacrificing national identity and economic interests. Fifty-five percent of those polled felt that European unity would protect their national identities and economies.

Sixty-two percent of citizens of the 12 EC countries believe their country's membership in the EC is "a good thing." This proportion rises for citizens of the original six member states to 72 percent. Among the citizens of the original six member states, 65 percent felt that their country had benefited from membership.

The 1986-87 Eurobarometer poll uncovered another surprise. When results were broken down by age group, young Europeans appeared less open to European unity than their elders. Youth as a group felt that European unity would afford their respective countries considerably less protection than their parents expected.

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publications

THE DEMOGRAPHICS DOWN-UNDER

***The Australian Bureau of Statistics** publishes a quarterly report which contains the latest demographic data for Australia. To order Australian Demographic Statistics, contact Mr. Don Bird at Canberra (062) 52 5967 or write Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616, Australia.*

Australia's Changing Population:Trends and Implications, by Graeme Hugo, June, 1987, Oxford University Press. Order from Oxford University Press, Walton Street, Oxford OX2 6DP for 25 pounds.

Australia's population change may be gradual, but it is nonetheless profound in its implications for marketing to Australia's future consumers. Fewer babies, older Australians living longer, and the number and proportion of oldsters increasing at unprecendented rates are just a few of the important trends changing the face of Australia's population.

Australia's Changing Population details how the changing distribution and composition of the Australian population will dictate future needs for goods and services. Hugo uses the results of the 1981 census plus the work of various demographers to give planners a detailed demographic overview of Australia today and decades hence.

Hugo looks at such demographic changes as ethnic mix, kinds of families and households, and the composition of the work force with a view to predicting future patterns.

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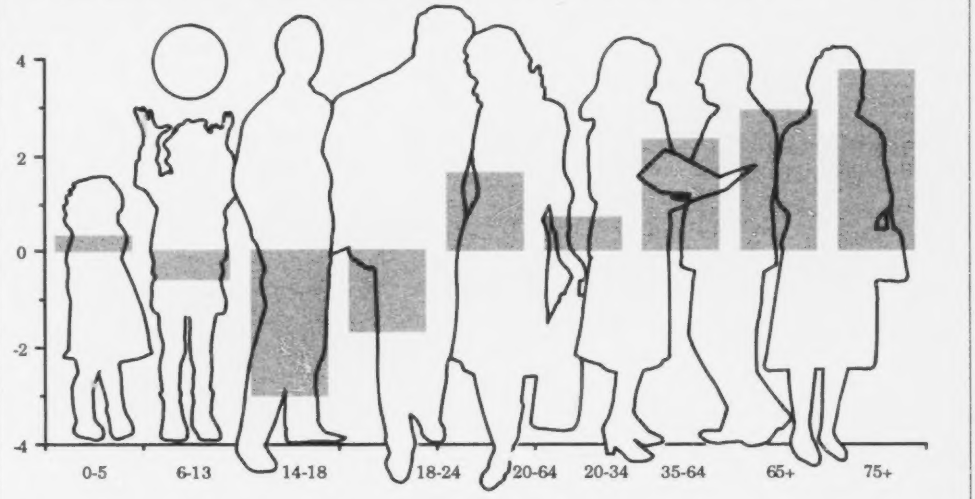
in depth

CANADA TODAY–RESULTS OF THE 1986 CENSUS



MATURITY MARKET TAKES OVER
(percent average annual change in population distribution by age groups, 1981–1986)

Slower population growth, an aging population, the maturing of the baby-boom generation, more working women, and new family structures are changing the Canadian consumer marketplace. As the baby boom edges into middle age and reaches its peak purchasing power, the maturity market will increasingly become the key to success in Canada's consumer marketplace.

WHERE THEY LIVE

Canada's current consumer market contains slightly under 27 million persons, a bit more than 10 percent of the U.S. population. Eighty percent of all Canadians live within 200 kilometers of the United States-Canada border, which in effect makes the Canadian market 4000 miles long and 125 miles wide.

To the north of this narrow corridor are rural areas containing only four persons per square kilometer, and beyond these are remote areas which, while representing 80 percent of Canada's land mass, are home to only 1 percent of the population.

The major geographic market component is a 750-mile-long megalopolis stretching from Quebec City southwestward through Montreal, Ottawa, Toronto, and the

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 6 NUMBER 10 OCTOBER 1987

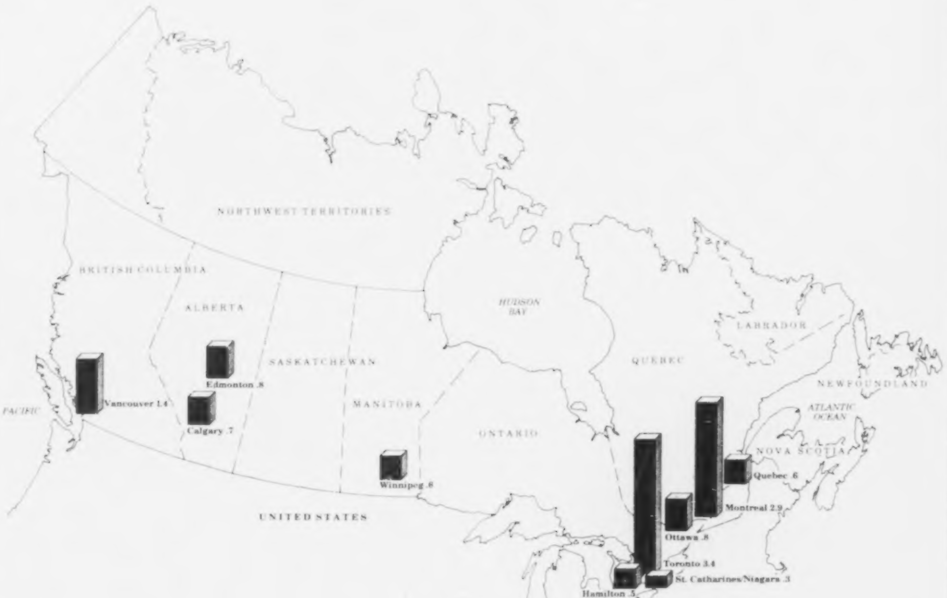
Niagara Peninsula to Windsor. The cities in this area account for more than 40 percent of the population, income, and retail sales in Canada.

In both the United States and Canada, around 70 percent of the population resides in urban areas. Canada's population, however, is much more concentrated in major metropolitan areas; more than 55 percent versus about 30 percent in the United States. In one respect, the Canadian market consists of several densely populated metro areas separated by large expanses of sparsely populated country. Some major Canadian cities (Vancouver, Winnipeg) contain half the population of their respective provinces.

ONTARIO'S GROWTH REGAINS MOMENTUM

The populations of the Atlantic provinces and of Quebec have continued to decline as a proportion of the total population throughout the 25-year period 1961 to 1986. This decline has largely been attributed to a more favorable economic climate and opportunities

MAJOR METRO AREAS AND THEIR POPULATIONS
(in millions)


NORTHWEST TERRITORIES
BRITISH COLUMBIA
ALBERTA
SASKATCHEWAN
MANITOBA
HUDSON BAY
LABRADOR
QUEBEC
NEWFOUNDLAND
ATLANTIC OCEAN
ONTARIO
NOVA SCOTIA
PACIFIC
UNITED STATES
Vancouver 1.4
Edmonton .8
Calgary .7
Winnipeg .6
Quebec .6
Montreal 2.9
Ottawa .8
Toronto 3.4
St. Catharines/Niagara .3
Hamilton .5

Source: Statistics Canada

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elsewhere in the country, and therefore, to east-to-west migration. The boom economy of the late 1970s, centered primarily in Alberta, also attracted a large number of migrants from Ontario.

However, just-released results from the 1986 census reveal some changes in provincial population trends. While the eastern provinces continue to grow the slowest, Ontario's growth has regained some of the momentum lost between 1971 and 1981. Thirty-six percent of all Canadians now live in Ontario. Also of note is a moderation of the rapid 1971–81 population increases in Alberta and British Columbia; these provinces gained only one-tenth of 1 percent each between 1981 and 1986. In spite of the recent slowdown, British Columbia's percentage increase in total population share has been the highest of all provinces since 1961. The moderate climate is a major factor in attracting migrants, as are its highly developed resource and service industries.

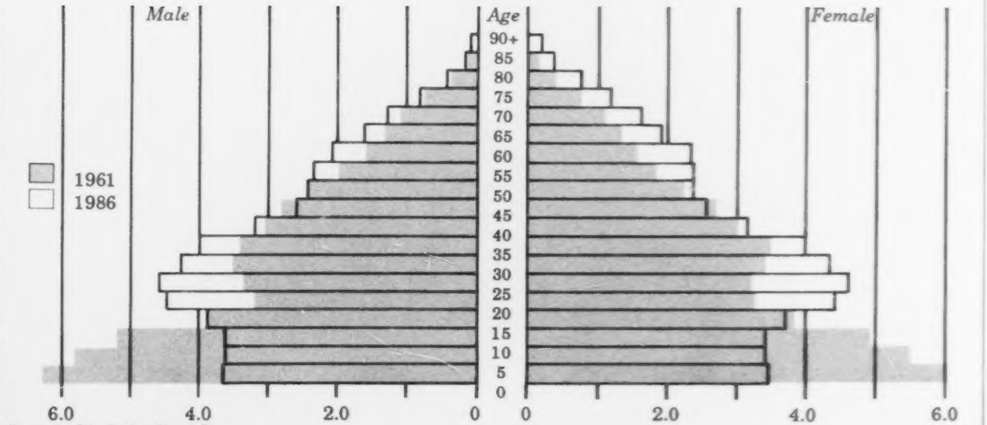
SLOWING POPULATION GROWTH

Canada's growth rate between 1981 and 1986 of 0.84 percent annually was the lowest growth rate in its history, down from a high of about 3 percent annually in the 1950s. The decline in the number of immigrants, from 135,000 in 1981–82 to 85,000 in 1985–86, was the most important determinant in this downward trend as the rapidly falling birthrate had already stabilized at 15 per 1,000 in the late 1970s. Women in Canada now average 1.6 births in their lifetimes, with an increasing percentage of women having their first child after age 30. If present trends continue, Canada's population will peak at about 28 million by 2011, then begin to decrease early in the 21st century.

Five of the ten provinces exceeded the national five-year growth rate of 4.2 percent. Alberta grew the fastest at 6.1 percent between 1981 and 1986.

The decline in the number of immigrants was the most important determinant in this downward trend as the rapidly falling birthrate had already stabilized in the late 1970s.

CANADIAN POPULATION BY AGE AND SEX 1961 AND 1986
(in percent)



Source: Statistics Canada

Canada's population will peak at about 28 million by 2011, then begin to decrease early in the 21st century.

THE DECLINE OF THE YOUTH MARKET

Changes in the age distribution of the Canadian population will profoundly affect the Canadian market of the 1990s. The child population has now about stabilized with preschoolers (those under age 6) increasing nearly 2 percent between 1981 and 1986 and primary school children decreasing by 3 percent. The youth population (those aged 14 to 24) is in decline, with the secondary school population decreasing by 15 percent between 1981 and 1986 and the young adult population (aged 18 to 24) dropping by 8 percent during the same period. In 1986, only 21 percent of Canadians were under 15 years of age, as compared to 34 percent in 1961 (see pages 8 and 9).

Correspondingly, the proportion of those in the older age groups increased. The adult population—those aged 20 to 64—continued to increase between 1981 and 1986, growing by 8 percent over this period. In 1986, 56 percent of the working age population were 35 years of age or older.

THE SENIORS BOOM

Canada's senior citizens—numbering 2.7 million in 1986—increased at about twice the rate of the entire population between 1961 and 1986. The proportion of the advanced elderly—those over age 75—grew even faster, resulting in just over 1 million persons aged 75 or over in 1986.

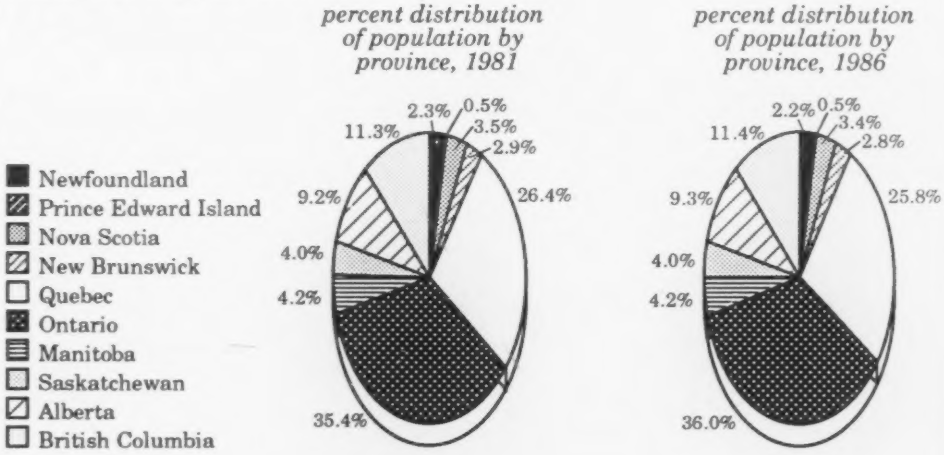
One in ten Canadians is a senior citizen. But, as yet, Canada's elderly are an independent lot. Only 9 percent of those over age 65 in 1986 lived in nursing homes. Twenty-five percent of seniors in 1986 lived alone. One in two lived with a spouse or unmarried children.

For those over age 75, however, 17 percent lived in nursing homes. Those living alone also increased to 30 percent.

NORTHWEST TERRITORIES' RESIDENTS BY FAR CANADA'S YOUNGEST

Of Canada's provinces, British Columbia had the highest median

WHERE IT'S GROWING



age in 1986 (33 years). Ontario and Quebec, with median ages of 32 years each, came in close seconds. By far the youngest populations lived in the Northwest territories. The median age in the Northwest Territories was 24 years in 1986, followed by Newfoundland (28 years) and Alberta and the Yukon (29 years.)

THE CHANGING CANADIAN FAMILY

Smaller families, more lone-parent families, more multiple-earner families, more people living alone. These trends in changing family structure are shared across our borders.

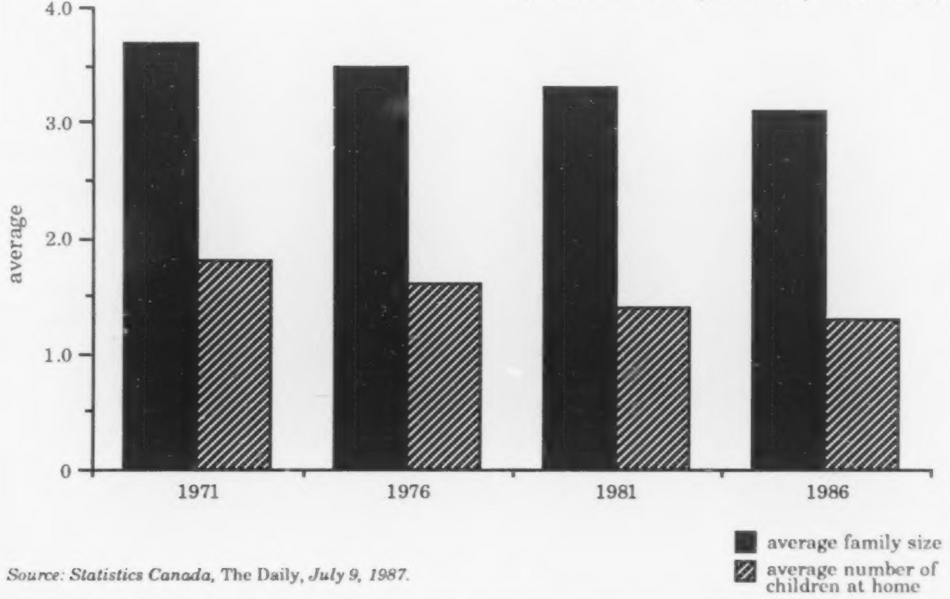
Family size in Canada has dropped consistently since 1961 when the average family size was 3.9 people. Average family size in 1986 was 3.1 people, down from 3.3 people in 1981. The number of families increased moderately between 1981 and 1986 to 6.7 million families, up from 6.3 million in 1981. This 6 percent increase pales in comparison to the 13 percent increase between 1971 and 1976 and the 10 percent increase between 1976 and 1981.

Lone-parent families are on the rise and in 1986 accounted for 13 percent of Canadian families, up from 10 percent of Canadian families in 1981. Most lone-parent families are headed by women—80 percent in 1986. Lone-parent families have been increasing at a much faster rate than traditional families, growing 20 percent between 1981 and 1986.

Other alternative-type family structures are also growing rapidly. One out of 12 couples in 1986, for example, reported living in common-law unions, a 38 percent increase over 1981. In 1986, almost one half million families reported their living arrangement as common-law. The Yukon (20 percent) and the Northwest Territories (17

One in ten Canadians is a senior citizen.

FEWER KIDS, SMALLER FAMILIES
(average family size and average number of children at home, Canada, 1971–1986)



Source: Statistics Canada, The Daily, *July 9, 1987.*

trendwatch Canada

More single young adults as youths delay marriage

Lower rates of family formation

Increase in one-person households

More lone-parent families

More common-law unions

Increasing importance of the middle-age and seniors market

Declining importance of the youth market

percent) had the highest proportion of common-law unions, with Newfoundland and Prince Edward Island at the low end with 5 percent of all couples living in common-law unions. Most common-law unions, however, are short-lived, providing a temporary alternative to marriage for many Canadians in the 18-to-29 age group.

Although the growth of families without children has outpaced that of those with children, 70 percent of Canadian families have children at home. These families numbered 4.5 million in 1986. The growth of childless families or empty-nest families (in which children have already left home) between 1981 and 1986 has been dramatic (9 percent). This growth rate far outstrips that of families with children at home (5 percent). Childless families now number 2.2 million.

Although Canadians marry later and have fewer children, family life is still dominant, with more than four out of five Canadians (84 percent) in 1986 living in traditional husband-wife families. This proportion, however, continues to reflect the gradual decline in the percent of the population living in families that began in 1966 when 88 percent of the population lived in families.

By 1981, 60 percent of all Canadian economic families were dual-earner families, up from 33 percent in 1951. Accordingly, the contribution of wives' income to total family income increased by almost 60 percent, from 14.7 percent in 1971 to 23.4 percent in 1982.

NUMBER OF HOUSEHOLDS STILL CLIMBING, MORE PEOPLE LIVING ALONE

While the Canadian population grew 4 percent between 1981 and 1986, the number of households increased at more than twice that rate. In 1986, there were 8.9 million households, up 9 percent from 1981. This growth rate, however was considerably slower than that of the period between 1976 and 1981, in which the number of households increased by 16 percent. Ontario and Quebec had the most households, numbering 3.2 million and 2.4 million, respectively.

The aging of the population and the increase in divorce are leading causes of the increase in one-person households. In 1986, 21 percent of all private households were one-person households, up from less than 10 percent in 1961. In 1986, 1.9 million people were living alone.

WOMEN PUSH AHEAD IN EDUCATION

The 1970s ushered in a new era of social and economic opportunities for Canadian women. Women entered universities and colleges at a faster rate than that of men and earned more degrees and diplomas than ever before. By 1982-83, women made up 51 percent of all university students, up from 37 percent in 1970–71. Between 1970–71 and 1982–83, women's university enrollment more than doubled to over 350,000, compared to a 17 percent increase for men during that same period.

Women still trail men, however, in representation in graduate programs and are much more likely than men to be part-time students whether at the graduate or undergraduate level. In 1982–83, women students made up 40 percent of all graduate students, a 23 percent increase from 1970–71. Although more women than ever are attaining advanced degrees, the old rule still holds. The more advanced the degree attained, the more likely that the recipient is a man. In 1982, 51 percent of bachelor's degrees, 40 percent of master's degrees, and 25 percent of doctorates went to women. These figures compare to 38 percent, 22 percent, and 9 percent respectively in 1971.

Women are entering male-dominated areas of study in increasing numbers. By 1982, for example, 38 percent of law graduates and 36 percent of new M.D.s were women, up from only 9 percent and 13 percent respectively in 1971. But women in postsecondary education remain concentrated in such traditionally female fields of study as education, fine arts, humanities, nursing, and the social sciences.

Educational attainment correlates closely with labor force participation, especially for women. In 1983, 76 percent of women university grads were working in paid employment, as compared to only 26 percent of women with an elementary school education (many of whom are in the older age groups). The largest increase in labor force participation between 1975 and 1983 was among women with postsecondary education.

These gains should be seen in light of the fact that the majority of both Canadian men (70 percent) and women (72 percent) still have only a high school education or less. In 1983, only 8 percent of women aged 15 and over and 11 percent of men aged 15 and over were university graduates. These proportions show considerable growth from 1971, however, when only 3 percent of women and 6 percent of men were university graduates.

OUT OF THE HOME AND INTO THE WORK FORCE

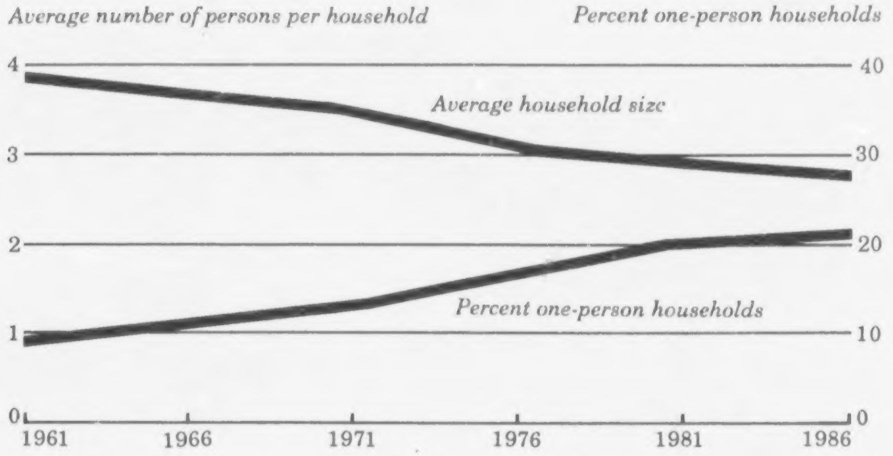
Canadian women are joining the work force in increasing numbers. The labor force participation rate for women aged 25 and over was at the historical high of 53.9 percent in June of 1987.

Between 1975 and 1985, 88 percent of the increase in women's employment occurred in three occupational groups: managerial

The trend toward later marriage has resulted in more young, single adults and the rise of common-law unions.

The proportion of single persons aged 20 to 34 continued to increase between 1981 and 1986.

AVERAGE HOUSEHOLD SIZE AND PERCENT ONE-PERSON HOUSEHOLDS, 1961-1986

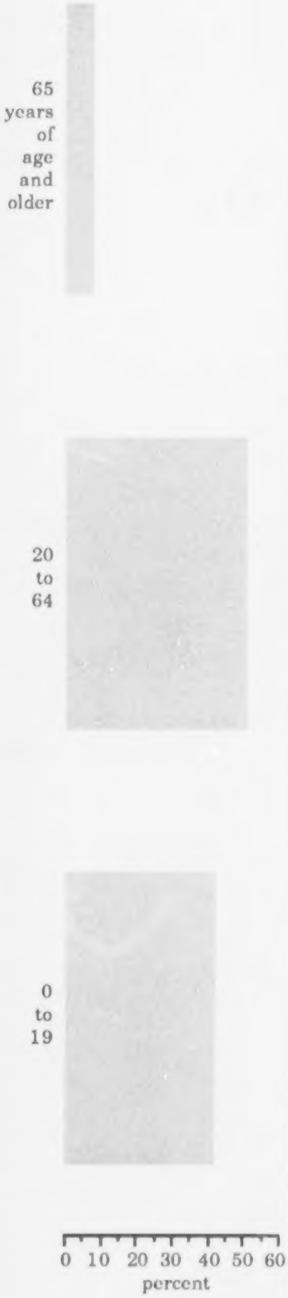


CANADA IN 1961:

YOUTHFUL

Median Age:
26.3 years

Total population:
18,238,247



and professional, clerical, and service. Women accounted for 70 percent of total employment growth during this same period. This trend continued in 1986 with women aged 25 to 44 accounting for 54 percent of total employment growth. Employment rose 6.9 percent in 1986 for women in this age group, compared to 3.1 percent for men of the same age.

WORKING MOTHERS

Married women and women with small children led the large influx of women into the labor force in the 1970s and 1980s, joining the labor force at over twice the rate of single women. By 1983, 57 percent of women with children were working in paid employment, up from 42 percent in 1975.

As might be expected, the older a woman's children are, the more likely she will be working. In 1983, 62 percent of women with children between the ages of 6 and 15 were working, as compared to 49 percent of women with at least one child under the age of three.

Surprisingly, Canadian working women continue to be the primary caretakers of hearth and home. Working women average about four hours a day on domestic and child care duties, as compared with two hours a day for men and six hours a day for non-working women.

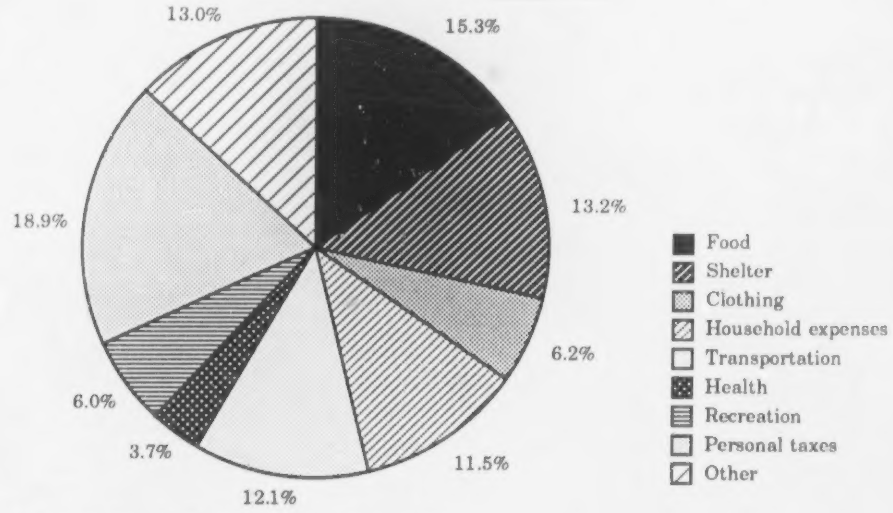
NEW IMMIGRANTS

In the last 15 years, immigration to Canada has changed dramatically. European immigration which accounted for 65 percent of all immigration to Canada in 1968–69 dropped to only 35 percent in 1981–82. Immigration from Asia made up the difference, rising from 1 percent to 40 percent over the same period.

GREATER LANGUAGE DIVERSITY

Francophones in Quebec accounted for 81 percent of the population in 1986—5.3 million people. Ontario

TAXES TAKE BIGGEST BITE OF FAMILY BUDGET
(percent of family expenditure by category, Canada, 1984)



Source: Statistics Canada, Family Expenditure Survey, 1984.

had the second greatest concentration of French speakers at a little less than 5 percent of the population of that province. Outside of Quebec, the 1986 census counted 845,000 people who considered French their mother tongue.

Although the proportion of Francophones in Quebec has remained relatively stable in the last five years, linguistic diversity in Canada is increasing. About 10 percent of the Canadian population, 2.9 million persons, in 1986 has a native language other than French or English.

THE 1986 CENSUS

The 1986 Canadian census provides the most reliable and complete data on the Canadian population to date. The first series of detailed data is now available from Statistics Canada. The current release represents vital demographic data on the age, sex, marital status, and mother tongue of each Canadian, plus information on the structure of families and households. Further releases this year include additional information collected from 20 percent of the population on such topics as income, ethnicity, migration, education, labor force activity, and occupation.

A wide range of 1986 products and services, including reference products, data tables, and maps are now available. A custom tabulation service for producing unique data packages is also available. Three special data products have been produced: the National Package, including data for Canada, provinces, and territories; the Regional Package, census metropolitan areas, by region—Atlantic, Quebec, Ontario, Prairies, and Pacific; and the National CMA Package, census metropolitan areas for the whole country. To learn more about the 1986 census, call (613) 993-7276.

SOURCES

The single best source for sociodemographic data on Canada is Statistics Canada. Statistics Canada regularly publishes a large number of reports covering all facets of Canadian society including the economy, the population, education, agriculture, manufacturing, communications, and technology. It also provides census and intercensal studies.

For trendwatchers in business, government, the media, social planning or education, the magazine-style journal *Canadian Social Trends* is ideal. It provides the latest trend data and analysis on work, income, population dynamics, crime, education, social security, health, and housing and contains the latest figures for major social indicators. *Canadian Social Trends* is available for $15 per copy/$50 annually from Publication Sales and Services, Statistics Canada, Ottawa, Ont. K1A OT6; telephone (613) 993–7276.

For those who want to keep informed on a day-to-day basis, the *Statistics Canada Daily* is a treat. It contains news summaries and announcements of reports, reference papers, and other releases. *Infomat,* a weekly digest, performs the same function on a less frequent basis. The *Statistics Canada Daily* costs $125 annually; *Infomat* costs $150 a year.

Individual titles of Statistics Canada publications are too numerous to mention. To obtain a catalogue of available publications, write to Publication Sales at the address above.

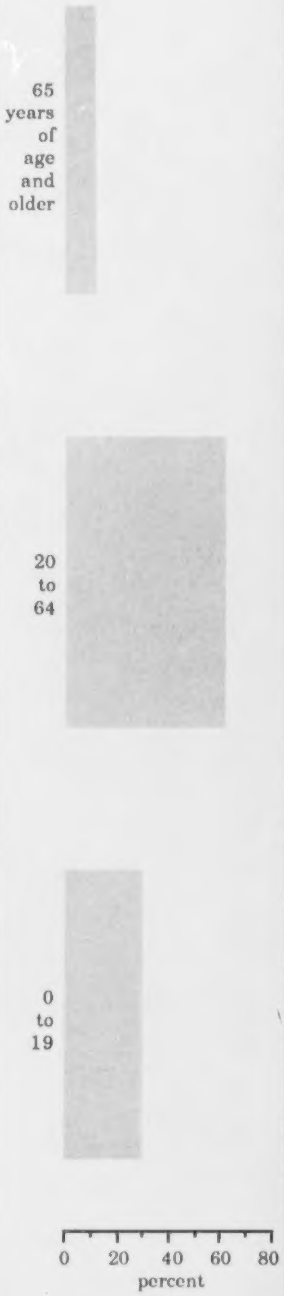
—Denise Rusoff

CANADA IN 1986:

AGED

Median age:
31.6 years

Total population:
25,309,330



CANADIAN REAL FAMILY INCOME RISES AFTER LONG FALL

Average personal disposable income after inflation is rebounding.

Rising unemployment and interest rates eroded consumer confidence during Canada's economic seesaw decade of 1973 to 1983. But average personal disposable income after inflation is rebounding from declines experienced during 1981–83 and will steadily increase for the next four or five years, according to Woods Gordon, a leading Canadian management consulting firm.

Between 1980 and 1984, average real income for Canadian families fell from $37,950 to $35,770 (expressed in constant 1984 Canadian dollars), representing a radical departure from income trends of the 1970s. The overall decline in family income occurred despite the trend toward increased contributions to family income by working wives.

Preliminary estimates for 1985, however, show once again rising real family income. Average family income rose 2.4 percent in 1985 to an estimated $38,075, representing an increase of about $860 per family. But, despite this gain, real family income still lags behind its 1980 figure by 3.5 percent.

Average family income varied widely by region. Alberta and Ontario led the way with average family incomes of about $40,000 and average income for unattached individuals of about $18,000 in 1985. Newfoundland and Prince Edward Island registered the lowest average family income at about $30,000 per family and the lowest income of unattached individuals at about $12,000.

Two groups were hit hardest by falling real family income. Average family income for families with heads under age 25 declined by 13.7 percent between 1981 and 1984—about $3,600. Families with heads aged 45 to 64 also experienced sharp reductions in real family income during the same period. Real family income for families with heads aged 45 to 54 declined by 4.7 percent ($2,200), while family income in families headed by persons aged 55 to 64 decreased by about 4 percent ($1,800). The only families that gained ground were those headed by someone aged 65 or older. Average real income of these families was 4.9 percent greater in 1984 than in 1981.

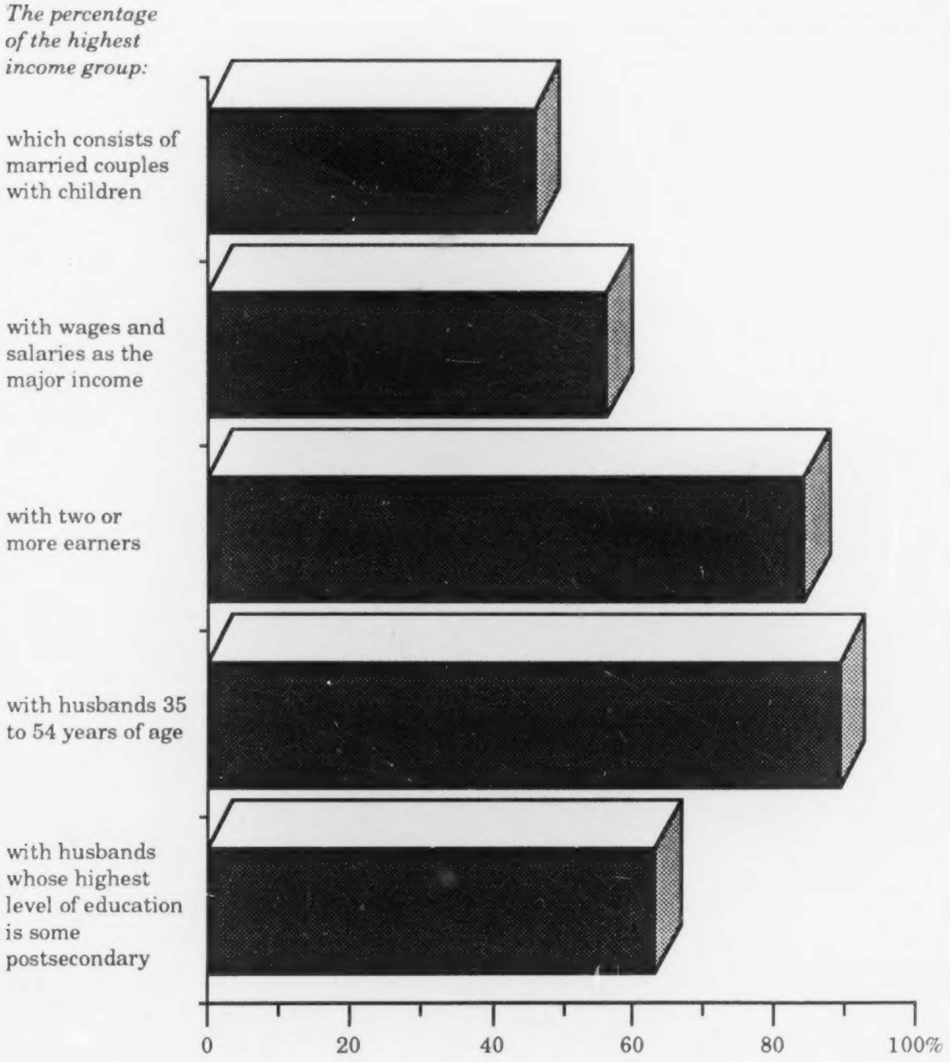
Income distribution, however, changed little between 1951 and 1981.When income including social benefit payments are considered, the poorest 20 percent of Canadian families and unattached individuals still only garner 4 percent of total income. The share of income earned by the richest 20 percent of Canadian families and unattached individuals has fallen only slightly from 43 percent of total income in 1951 to 42 percent of total income in 1981.

Inflation, decreased purchasing power, the increased risk of unemployment, and slower economic growth have created a more cautious and demanding Canadian consumer. But buoyed by the recent trend of rising real income, the Canadian consumer is again showing a willingness to buy.

For an in-depth treatment of Canadian income trends, refer to the Statistics Canada publication *Charting Canadian Incomes 1951–1981.*

Other informative publications by Statistics Canada on this topic include *The Distribution of Wealth in Canada* (1984) and *Income Distributions by Size in Canada, Preliminary Estimates* (1985). To order, contact Roger Love at (613) 991–6898, Labor and household Surveys Analysis Division.

TWO-EARNER FAMILIES DOMINATE HIGHEST INCOME GROUP



Source: Charting Canadian Incomes 1951–1981, *Statistics Canada, 1984.*

Average real income of families headed by oldsters was up 4.9 percent between 1981 and 1984.

special report

CANADA'S PROFESSIONAL WOMEN

A professional woman in Canada is likely to be young, educated, and may have a family as well. She is rapidly entering areas previously dominated by men, choosing such professions as law or civil engineering over teaching-related professions. But, despite significant progress, Canadian women in male-dominated professions earn less overall than their male counterparts and have a harder time juggling career and family.

Canadian women in male-dominated professions earn less overall than their male counterparts.

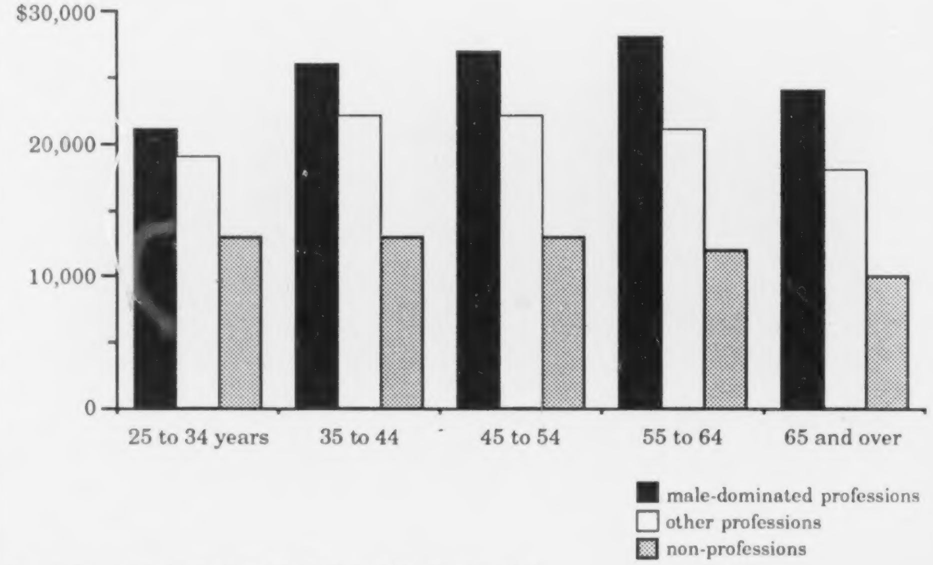
PROPORTION OF WOMEN LAWYERS AND CIVIL ENGINEERS TRIPLES IN JUST 10 YEARS

Between 1971 and 1981, Canadian women in professional occupations dropped from 43.1 percent to 42.5 percent of the total number of professional workers. (The Canadian statistics bureau defines a professional occupation as any occupation in which 45 percent or more of professionals have at least a bachelor's degree.)

This drop was the result of a decrease in female representation in four occupations largely held by women: elementary and kindergarten teachers, secondary school teachers, teachers of exceptional students, and dietitians and nutritionists. In 1971, nearly 80 percent of all professional women were working in five of 46 professions—all teaching-related. Ten years later, women accounted for only 60 percent of professionals in these fields.

Despite this overall drop, Canadian women made significant increases in those professions defined as "male-dominated"—professions

MORE MONEY...
(income of women who worked full-time, full-year in 1980, by age and occupation)



Source: Who are the Professional Women?, *Statistics Canada, 1987.*

Full-time, full-year women workers in male-dominated professions in 1980 had higher incomes than those who worked in other professions or non-professions. These women were much more likely to have never married than women in other occupations.

in which 66 percent or more of workers are male, based on 1971 labor force participation rates. The proportion of women lawyers and civil engineers tripled between 1971 and 1981, with the proportion of women MDs increasing by 70 percent over the same period.

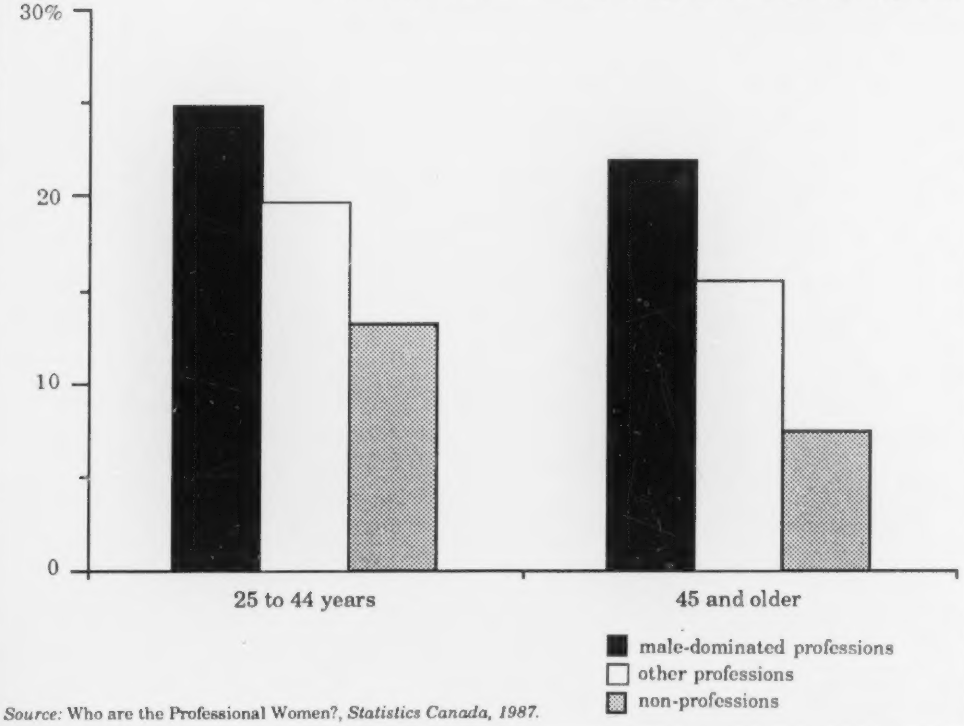
Women accounted for 18.6 percent of workers in male-dominated professions in 1981, up from 11.4 percent in 1971. One in three persons entering or re-entering male-dominated professions between 1971 and 1981 was a woman. Men accounted for 71 percent of the net increase of 182,540 persons in these professions, while women accounted for 29 percent.

Striking gains were made by younger women—aged 15 to 34—accounting for 60 percent of the total female increase in employment. Only 34 percent of the increase made by men was in this age group. Women accounted for more than 50 percent of the increase in social sciences and related fields (54.2 percent of the change), chemists (50.8 percent), economists (55 percent), university teaching and related occupations (55 percent), pharmacists (78.3 percent), and optometrists (52 percent). Although women are entering these professions at a greater rate than men, their representation in the majority of professions remains considerably less than that of men. For example, women accounted for 50.8 percent of the increase in the number of chemists, but still accounted for only 20.4 percent of all chemists in 1981.

One in three persons entering or re-entering male-dominated professions between 1971 and 1981 was a woman.

...FEWER HUSBANDS

(percent of women who have worked since January 1, 1980 who have never married, by age and occupational group)



Source: Who are the Professional Women?, *Statistics Canada, 1987.*

Women working in male-dominated professions are either choosing to delay childbearing or deciding not to have children at all.

EQUAL PAY FOR EQUAL WORK STILL A LONG WAY OFF

In every age group, among workers in male-dominated professions who worked full-time, full-year in 1980, men's incomes exceeded women's. The average income for men of all ages in these professions was $33,855. For women, the average income was $24,069. The gap narrows at each end of the age spectrum. For persons aged 25–34, the average employment income was $27,307 for men and $21,007 for women—a gap of $6,300. For those women who were still in the work force at age 65 or older, the gap narrowed even further, with the average income in male-dominated professions $29,623 for men and $24,745 for women—a gap of only $4,878.

Even at equal educational levels, income differences are obvious. In male-dominated professions in which workers had a university degree and worked full-time, full-year in 1980, 29 percent of men made over $40,000, but only 9.5 percent of women made that amount. In this same group, 7.1 percent of the women made under $10,000, but only 5.1 percent of the men made so little, leading to the conclusion that the obtainment of a university degree does little to narrow the wage gap.

FOREGOING FAMILY FOR CAREER

Education does, however, seem to affect family structure. The combination of a university degree and the choice of a professional career in a male-dominated field may not necessarily raise a woman's income to over $40,000, but it may very well decrease her chances of marriage. Women 25 years of age or older who had worked since January 1, 1980, in a male-dominated profession and who held a university degree were twice as likely to have never married. About 16 percent of the women in male-dominated professions without postsecondary education had never married, compared to 27.3 percent of those with a university degree. In addition, the average age at first marriage increased from 23 years to 24 years for women holding a university degree.

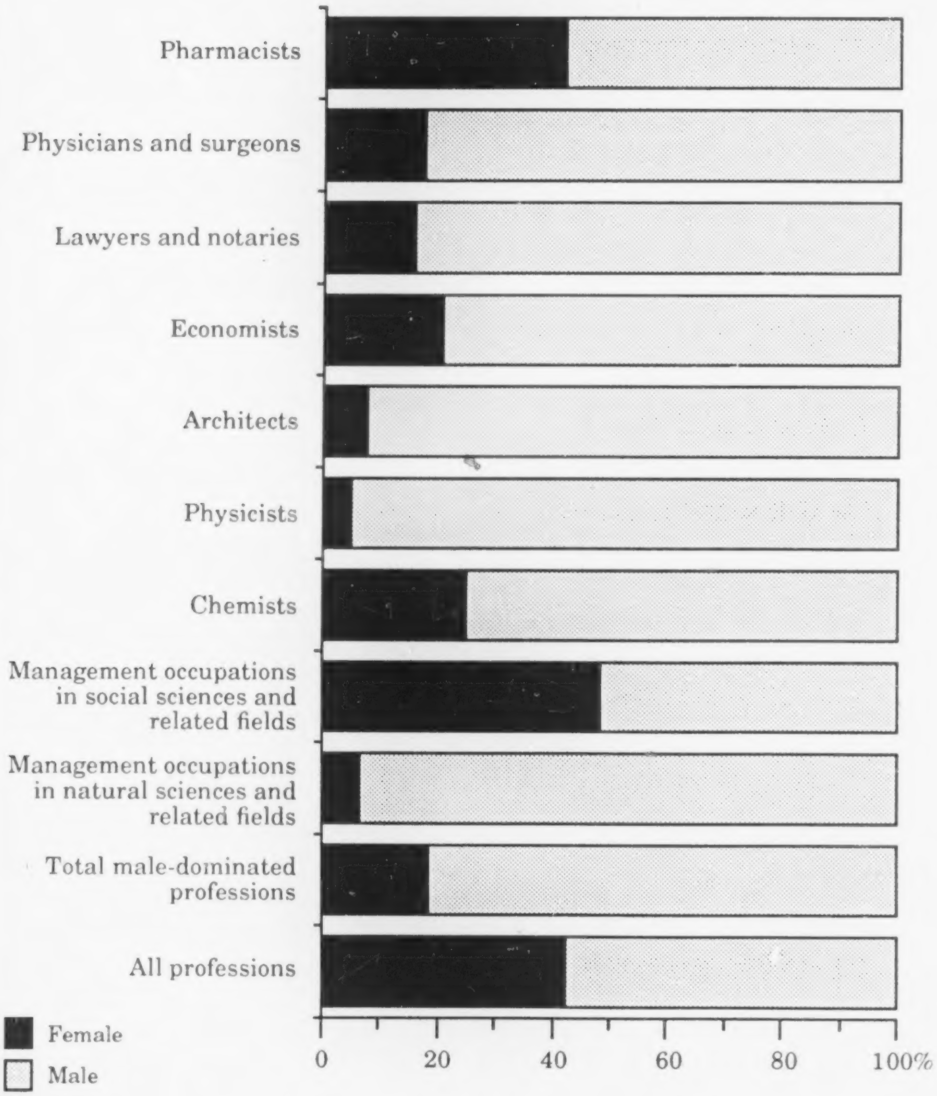
Women working in male-dominated professions are either choosing to delay childbearing or deciding not to have children at all. In fact, women aged 25 or over in male-dominated professions who had worked since January 1, 1980 accounted for the highest proportion in the non-family category overall (27.6 percent). Only about 62 percent of these women were wives, compared to 80 percent of men who were husbands. About 38 percent of wives in male-dominated professions were childless, compared to about 30 percent of wives in other professions and 28 percent in non-professional employment who had children. In fact, women in male-dominated professions had fewer children at home overall.

Overall, women in male-dominated professions had higher levels of education, higher income levels, and higher full-time employment rates than women in other professions or non-professional women. However, they also had a higher age at first marriage and a greater proportion of them had never married at all. They had fewer children, suggesting that they may be putting off marrying and starting a family in order to further their careers. Unfortunately, women in male-dominated professions still had a lower average level of income than men in any profession.

For further information on Canada's professional women, contact the Housing, Family and Social Statistics Division of Statistics Canada at (613) 990-9298, or order *Who are the Professional Women?* (from which most of the information in this report was obtained) from Statistics Canada Publications Sales and Service by calling (613) 993–7276.

—Janet McClafferty, Research Assistant,
Consumer Markets Abroad

WOMEN STILL LAG BEHIND
(proportion of women in male-dominated and other professions, 1981 census)



Source: Who are the Professional Women?, *Statistics Canada, 1987.*

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Your December issue of Consumer Markets Abroad *will be the 1988 edition of* ***Trends and Opportunities Abroad,*** *your updated reference guide to overseas markets. This guide will be mailed free of charge to all* Consumer Markets Abroad *subscribers and should be in your hands in early January 1988.*

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publications

CHINA POPULATION PRIMER

China's Changing Population, by Judith Banister, August 1987, Stanford University Press, California, 488 pp., $49.50. Order from: Stanford University Press, Stanford, CA 94305–2235.

This comprehensive analysis of 35 years of population change in the world's most populous country takes advantage of the major transformation that took place in the quality and availability of China's collected demographic data after 1982. Using the results of the 1982 census and crucial recently released data, the author examines the demographic changes affecting the more than one-fifth of the world's people who live in China.

Topics covered include the quality of China's population data, health and morbidity, mortality, the setting for fertility decline, late marriage and birth planning, the one-child family campaign, fertility, population distribution, internal migration, and ethnic groups.

"Tracing the population changes in China is important if we wish to understand that country at all."

—*Judith Banister,*
China's Changing Population

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